OHIO AUDITOR OF STATE
KEITH FABER

NORTHEAST OHIO CONSORTIUM COUNCIL OF GOVERNMENTS
GEAUGA COUNTY
JUNE 30, 2022

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GEAUGA COUNTY
JUNE 30, 2022

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OHIO AUDITOR OF STATE
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INDEPENDENT AUDITOR'S REPORT

Northeast Ohio Consortium Council of Governments
Geauga County
385 Center Street, Suite 100
Chardon, Ohio 44024

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Northeast Ohio Consortium Council of Governments, Geauga County, Ohio (the NOC COG), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the NOC COG's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Northeast Ohio Consortium Council of Governments, Geauga County, Ohio as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 15 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the NOC COG. We did not modify our opinion regarding this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

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

Supplementary information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2023, on our consideration of the NOC COG's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the NOC COG's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NOC COG's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

March 6, 2023

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The discussion and analysis of the Northeast Ohio Consortium Council of Governments (NOC COG) financial performance provides an overall review of NOC COG's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at NOC COG's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of NOC COG's financial performance.

Financial Highlights

Key Financial Highlights for fiscal year 2022 are as follows:

- The NOC COG Ohio Means Jobs Center locations served 5,834 new and returning customers through the provision of universal workforce career services pursuant to the Workforce Innovation and Opportunity Act ("WIOA"). Ashtabula County provided 1,664; Geauga County provided 340; and Portage County provided 3,830 instances of services to universal customers.

- The NOC COG also served 274 youth (143 In-School Youth and 131 Out-of-School Youth) in intensive WIOA youth programming. Ashtabula County served 58 In-School and 98 Out-of-School; Geauga County served 3 WIOA In-School and 5 WIOA Out-of-School; and Portage County served 82 In-School and 28 Out-of-School.

- During fiscal year 2022, the NOC COG conducted a total of 228 business services for assistance across Portage County through the Business Services offering businesses assistance with economic and workforce development.

- NOC COG had $3,266,423 in expenses related to governmental activities which were offset by program revenues of $3,330,174.

Using this Annual Financial Report

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

The Statement of Net Position and Statement of Activities provide information about the activities of the NOC COG, presenting both an aggregate view of NOC COG's finances and a longer-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net position related to each department of NOC COG. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

Reporting on the Northeast Ohio Consortium Council of Governments as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash was received or paid.

These two statements report NOC COG's net position and the change in that position. The change in net position is important because it tells the reader whether, for NOC COG as a whole, the financial position of NOC COG has improved or diminished.

All of NOC COG's programs and services are reported as Governmental Activities in the Statement of Net Position and the Statement of Activities. Governmental Activities consist of functions that are primarily supported by intergovernmental revenues. Activities include administration, adult, dislocated workers, youth and other funding streams as available.

Reporting on the Most Significant Fund

Governmental Fund

The presentation for NOC COG's only fund, the Workforce Investment Act (WIA) and Workforce Innovation and Opportunity Act (WIOA) special revenue fund, focuses on how resources flow into and out of it and the balance that is left at year end and available for spending in future periods. The WIA/WIOA special revenue fund is reported using modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of NOC COG's general 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 on services provided to our users. The relationship (or difference) between governmental *activities* (reported in the *Statement of Net Position* and the *Statement of Activities*) and the governmental *fund* is reconciled in the financial statements.

Northeast Ohio Consortium Council of Governments as a Whole

Recall that the Statement of Net Position looks at NOC COG as a whole. Table 1 provides a summary of NOC COG's net position for fiscal year 2022 compared to fiscal year 2021.

Table 1
Net Position

	2022	2021	Change
Assets			
Current and Other Assets-General	$401,243	$492,994	($91,751)
Current and Other Assets-One Stop	76,618	28,197	48,421
Net OPEB Asset	25,934	20,684	5,250
Total Assets	503,795	541,875	(38,080)
Deferred Outflows of Resources			
Pension	23,013	19,005	4,008
OPEB	0	16,341	(16,341)
Total Deferred Outflows of Resources	$23,013	$35,346	($12,333)

(continued)

Table 1
Net Position (continued)

	2022	2021	Change
Liabilities			
Current Liabilities	$409,476	$441,630	$32,154
Long-Term Liabilities:			
Due in More than One Year:			
Net Pension Liability	77,434	184,653	107,219
Other Amounts	16,110	15,343	(767)
Total Liabilities	503,020	641,626	138,606
Deferred Inflows of Resources			
Pension	144,700	99,663	(45,037)
OPEB	36,850	74,845	37,995
Total Deferred Inflows of Resources	181,550	174,508	(7,042)
Net Position			
Restricted	52,275	64,218	(11,943)
Unrestricted (Deficit)	(210,037)	(303,131)	93,094
Total Net Position	($157,762)	($238,913)	$81,151

The net pension liability represents a significant portion of the total liabilities reported by the NOC COG at June 30, 2022. 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 NOC COG 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 and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of this liability, 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 are satisfied, this liability are separately identified within the long-term liability section of the statement of net position.

Current and other assets decreased due to a drop in intergovernmental receivables based on the timing of grant requests. The three counties send invoices for program expenditures to the NOC COG who then in turn submits a cash request to the Ohio Department of Job and Family Services. Therefore the decrease in intergovernmental receivables is directly correlated to a decrease in intergovernmental payables.

Current liabilities consisted of accounts payable, accrued wages, intergovernmental payable and vacation benefits payable. Current liabilities were lower than last fiscal year due mainly to a decrease in intergovernmental payables owed to the three counties for amounts invoiced relating to fiscal year 2022 adult, dislocated worker and youth programs. Long-term liabilities decreased due to a reduction in the net pension liability.

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

Table 2
Changes in Net Position

	2022	2021	Change
Revenues			
Program Revenues:			
Charges for Services	$396,629	$371,117	$25,512
Operating Grants and Contributions	2,933,545	2,815,894	117,651
General Revenues			
Interest	46	3	43
Miscellaneous	17,354	9,486	7,868
Total Revenues	3,347,574	3,196,500	151,074
Program Expenses			
Administration	115,173	140,948	25,775
Adult	716,212	589,947	(126,265)
Dislocated Workers	382,627	607,845	225,218
Youth	1,106,850	1,220,441	113,591
Rapid Response	0	49,422	49,422
Business Resource Network	293,009	97,534	(195,475)
Reemployment Services	245,919	0	(245,919)
Ohio Works Incentive Program	0	23,000	23,000
Ohio Means Jobs Center	0	33,471	33,471
Opioids Treatment	141,019	138,298	(2,721)
Special Projects	11,183	0	(11,183)
One Stop	254,431	273,944	19,513
Total Program Expenses	3,266,423	3,174,850	(91,573)
Change in Net Position	81,151	21,650	59,501
Net Position Beginning of Year	(238,913)	(260,563)	21,650
Net Position End of Year	($157,762)	($238,913)	$81,151

The main revenue for NOC COG is Workforce Investment Act and Workforce Innovative and Opportunity Act grants through the Ohio Department of Job and Family Services by the United States Department of Labor. During fiscal year 2022, total revenues increased due to an increase in workforce investment act monies. The increase in program expenses reflects the increase in funding requested/received for One Stop programs.

Northeast Ohio Consortium Council of Governments Fund

Information about NOC COG's governmental fund begins with the balance sheet. NOC COG uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of NOC COG's governmental fund is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the NOC COG's financing requirements.

As of the end of the current fiscal year, NOC COG's governmental fund reported an ending fund balance of $63,659. The governmental fund had total revenues of $3,400,003 and expenditures of $3,359,142 during fiscal year 2022.

Budgeting Highlights

The NOC COG's annual budget is primarily a management tool that assists its users in analyzing financial activity for its fiscal year ending June 30, 2022. NOC COG's annual budget is not subject to formal budget commission procedures and/or legal requirements. NOC COG's primary funding source is Federal and State grants, which have grant periods that may or may not coincide with NOC COG's fiscal year. Due to the nature of NOC COG's dependency on Federal and State budgetary decisions, revenue estimates are based upon the best available information as to potential sources of funding.

NOC COG's annual budget differs from that of a local government in two respects. First the uncertain nature of grant awards from other entities and second conversion of grant budgets to a fiscal year basis. The resultant annual budget is subject to constant change within the fiscal year due to increases/decreases in actual grant awards from those estimated, changes in grant periods, unanticipated grant awards not included in the budget and expected grant awards which fail to materialize.

NOC COG's annual budget for the WIA/WIOA special revenue fund is reviewed and approved by the Executive Board and used throughout each fiscal period to monitor activity and ensure sound fiscal management. Modifications are made as needed to remain within established spending limits for the year and as additional initiatives are added or as existing projects/programs change.

As the fiduciary agent of taxpayer funds, NOC COG diligently searches for new and more efficient methods to reduce and/or contain operating expenses. NOC COG's goal continues to be to serve the maximum customers with the allocations available.

Current Financial Related Activities

Significant economic factors affecting NOC COG are as follows:

- Federal Workforce Investment Act and Workforce Innovation and Opportunity Act funding through the U.S. Department of Labor
- National, State and Local unemployment rates
- National, State and Local poverty and income levels
- Inflationary pressure on training, services, supplies and other program and operational costs

NOC COG program allocations are calculated by the Ohio Department of Job and Family Services (ODJFS) based on a formula specified in the Workforce Investment Act and Workforce Innovation and Opportunity Act. This formula considers various economic factors including income levels and unemployment rates.

Contacting the Northeast Ohio Consortium Council of Governments Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with the general overview of NOC COG's finances and to show NOC COG's accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information, contact Craig F. Sernik, Executive Director, Northeast Ohio Consortium Council of Governments, 385 Center Street, Suite #100, Chardon, Ohio 44024.

Basic Financial Statements

Northeast Ohio Consortium Council of Governments

Statement of Net Position

June 30, 2022

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents - General	$60,046
Equity in Pooled Cash and Cash Equivalents - One-Stop	52
Intergovernmental Receivable	415,817
Prepaid Items	1,946
Net OPEB Asset (See Note 7)	25,934
Total Assets	503,795
Deferred Outflows of Resources	
Pension	23,013
Liabilities	
Accounts Payable	11,175
Accrued Wages	2,062
Intergovernmental Payable	384,762
Vacation Benefits Payable	11,477
Long-Term Liabilities:	
Due in More Than One Year:	
Net Pension Liability (See Note 6)	77,434
Other Amounts	16,110
Total Liabilities	503,020
Deferred Inflows of Resources	
Pension	144,700
OPEB	36,850
Total Deferred Inflows of Resources	181,550
Net Position	
Restricted for Job Training Programs	52,275
Unrestricted (Deficit)	(210,037)
Total Net Position	($157,762)

See accompanying notes to the basic financial statements

Northeast Ohio Consortium Council of Governments
Statement of Activities
For the Fiscal Year Ended June 30, 2022

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Administration	$115,173	$0	$118,876	$3,703
Adult	716,212	84,909	651,599	20,296
Dislocated Workers	382,627	84,909	307,289	9,571
Youth	1,106,850	0	1,142,433	35,583
Business Resource Network	293,009	0	302,429	9,420
Reemployment Services	245,919	0	253,825	7,906
Opioids Treatment	141,019	0	145,552	4,533
Special Projects	11,183	0	11,542	359
One Stop	254,431	226,811	0	(27,620)
Totals	$3,266,423	$396,629	$2,933,545	63,751
		General Revenues:		
		Interest		46
		Miscellaneous		17,354
		Total General Revenues		17,400
		Change in Net Position		81,151
		Net Position Beginning of Year		(238,913)
		Net Position End of Year		($157,762)

See accompanying notes to the basic financial statements

Northeast Ohio Consortium Council of Governments
Balance Sheet
Governmental Fund
June 30, 2022

	WIA/WIOA Fund
Assets	
Equity in Pooled Cash and Cash Equivalents - General	$60,046
Equity in Pooled Cash and Cash Equivalents - One Stop	52
Intergovernmental Receivable	415,817
Prepaid Items	1,946
Total Assets	$477,861
Liabilities	
Accounts Payable	$11,175
Accrued Wages	2,062
Intergovernmental Payable	384,762
Total Liabilities	397,999
Deferred Inflows of Resources	
Unavailable Revenue	16,203
Fund Balance	
Nonspendable	1,946
Restricted	61,713
Total Fund Balance	63,659
Total Liabilities and Fund Balance	$477,861

See accompanying notes to the basic financial statements

Northeast Ohio Consortium Council of Governments

Reconciliation of Total Governmental Fund Balance to
Net Position of Governmental Activities
June 30, 2022

Total Governmental Fund Balance		$63,659
Amounts reported for governmental activities in the statement of net position are different because		
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue.		
Charges for Services (One Stop)		16,203
Vacation benefits payable is not expected to be paid with expendable available financial resources and therefore is not reported in the fund.		(11,477)
The net pension/OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental fund.		
Net OPEB Asset	25,934	
Deferred Outflows - Pension	23,013	
Net Pension Liability	(77,434)	
Deferred Inflows - Pension	(144,700)	
Deferred Inflows - OPEB	(36,850)	
Total		(210,037)
Long-term liabilities payable, such as compensated absences, are not due and payable in the current period and therefore are not reported in the fund.		(16,110)
Net Position of Governmental Activities		($157,762)

See accompanying notes to the basic financial statements

Northeast Ohio Consortium Council of Governments

Statement of Revenues, Expenditures and Change in Fund Balance
Governmental Fund
For the Fiscal Year Ended June 30, 2022

	WIA/WIOA Fund
Revenues	
Intergovernmental	$2,933,545
One Stop	449,058
Interest	46
Miscellaneous	17,354
Total Revenues	3,400,003
Expenditures	
Administration	207,892
Adult	716,212
Dislocated Workers	382,627
Youth	1,106,850
Business Resource Network	293,009
Reemployment Services	245,919
Opioids Treatment	141,019
Special Projects	11,183
One Stop	254,431
Total Expenditures	3,359,142
Net Change in Fund Balance	40,861
Fund Balance Beginning of Year	22,798
Fund Balance End of Year	$63,659

See accompanying notes to the basic financial statements

Northeast Ohio Consortium Council of Governments

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

For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balance - Total Governmental Fund		$40,861
Amounts reported for governmental activities in the statement of activities are different because		
Revenues in the statement of activities that do not provide current financial resources, are not reported as revenues in the fund.		
Charges for Services (One Stop)		(52,429)
Contractually required contributions for pension are reported as expenditures in the governmental fund; however, the statement of net position reports these amounts as deferred outflows.		18,525
Except for amounts reported as deferred inflows/outflows, changes in net pension liability are reported as pension expense in the statement of activities.		
Pension	47,665	
OPEB	26,904	
Total		74,569
Some expenses reported in the statement of activities, such as compensated absences and vacation benefits, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.		
Compensated Absences	(767)	
Vacation Benefits Payable	392	
Total		(375)
Change in Net Position of Governmental Activities		$81,151

See accompanying notes to the basic financial statements

Note 1 – Description of the Entity

The Workforce Investment Act (WIA) passed by Congress in August 1998 redesigned federal training programs. WIA made significant changes in how federally funded job-training programs and services are delivered. The passage of WIA gave states and local units of government the power to determine the allocation of WIA dollars in providing training and services to participants. WIA also changed the way federally funded job-training programs are structured, the type of services provided and who is eligible to receive services.

Effective as of July 1, 2015, the Northeast Ohio Consortium Council of Governments ("NOC COG") is eligible to receive and administer funds granted by the Governor of the State of Ohio under the Workforce Innovation and Opportunity Act ("WIOA") which was executed as law on July 22, 2014 and superseded the Workforce Investment Act (WIA) of 1998, effective in part, on July 1, 2015.

WIOA funding is allocated to the State of Ohio by the United States Department of Labor based on a statutory formula. The State then allocates funding to Local Workforce Boards through the Ohio Department of Job and Family Services based on a statutory formula. As the grant administrator and fiscal agent, for Geauga, Ashtabula, and Portage Counties (Local Workforce Development Board Area 19), the NOC COG is responsible for all federal compliance requirements applicable to WIOA program and other relative workforce development activities funding sources, and is responsible for complying with all State and federal reporting requirements.

The Northeast Ohio Consortium Council of Governments is a division of local government, established for the purpose of exercising the rights and privileges conveyed to it by the State of Ohio, as defined and set forth with Chapter 167 of the Ohio Revised Code. The NOC COG was created for the express purpose of implementing, governing, and administering any and all workforce and economic development programming.

The NOC COG carries out the purpose of the WIOA by assessing workforce needs, developing strategies, plans, programs, and resources to provide employment, training, and education, and related services to the citizens of the local area; and to provide oversight and evaluation of such efforts. The purpose of WIOA is to provide workforce investment activities, through Statewide and local workforce investment systems, that increase the employment, retention, and earnings of participants; and increase occupational skill attainment by participants and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the nation.

For financial reporting purposes, all departments and operations over which NOC COG exercises financial accountability are included in the reporting entity.

No governmental units other than NOC COG itself are included in the reporting entity. NOC COG does not have oversight responsibility over any other governmental unit. This is evidenced by the fact that, with respect to any other governmental unit, there is no financial interdependency and NOC COG does not select their governing authority, designate their management, exercise significant influence over their daily operations or maintain their accounting records.

NOC COG participates in a public entity risk pool, the County Risk Sharing Authority. This organization is presented in Note 13 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the Northeast Ohio Consortium Council of Governments 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 financial reporting principles. The more significant of the NOC COG's accounting policies are described below.

Basis of Presentation

NOC COG's 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 NOC COG as a whole. These statements include the financial activities of the primary government. These statements distinguish between those activities of NOC COG that are governmental and those that are considered business-type. NOC COG, however, has no business-type activities.

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

Fund Financial Statements Fund financial statements report detailed information about the organization. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. The difference between governmental fund assets and liabilities and deferred inflows of resources are reported as fund balance. NOC COG's only governmental fund is the WIA/WIOA special revenue fund which accounts for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Measurement of Focus

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

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The WIA/WIOA special revenue fund uses the modified accrual basis of accounting.

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 NOC COG, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which NOC COG receives value without directly giving equal value in return, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which NOC COG must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to NOC COG on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources such are considered to be both measurable and available at fiscal year-end: grants and investment earnings.

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 NOC COG, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to the pension plan is explained in Note 6.

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 NOC COG, deferred inflows of resources include unavailable revenue, pension and OPEB plans. 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 NOC COG, unavailable revenue includes charges for services. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 15. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 6 and 7)

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

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

Pensions/Other Postemployment Benefits (OPEB)

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

Cash and Cash Equivalents

To improve cash management, all cash received by NOC COG is pooled in a central bank account. Monies for all funds are maintained in the account or temporarily used to purchase short term investments. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by NOC COG are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments. NOC COG does not have any investments at this time.

Prepaid Items

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

Capital Assets

Capital assets include furniture and equipment purchased by Northeast Ohio Consortium Council of Governments, for the use of Northeast Ohio Consortium Council of Governments. These assets generally result from expenditures in the governmental funds. NOC COG's property management standards require that depreciation be computed on all non-expendable personal property having a useful life of more than one year and purchase price of $5,000 or more. Northeast Ohio Consortium Council of Governments does not have any capital assets.

All capital assets that may have been purchased by NOC COG, as fiscal agent for Geauga, Ashtabula and Portage Counties, with Workforce Investment Act and Workforce Innovation and Opportunity Act program grant funds, were purchased for the use of said counties. Therefore, each county is responsible for the recording of any capital assets purchased through NOC COG, and the computation and recording of depreciation.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the NOC COG will compensate the employees for the benefits through paid time off or some other means. The NOC COG records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Since the NOC COG's policy limits the accrual of vacation time to one year from the employee's anniversary date, the outstanding liability is recorded as "vacation benefits payable" on the statement of net position rather than as a long-term liability.

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 NOC COG has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the NOC COG's termination policy.

Accrued Liabilities and Long-term Obligations

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

Governmental fund payables that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the fund. However, compensated absences will be paid from the governmental fund 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. 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.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which NOC COG is bound to observe constraints imposed upon the use of the resources in the governmental funds. NOC COG, however, only uses the following three:

> ***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.
>
> ***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.
>
> ***Unassigned*** The unassigned classification is used only to report a deficit balance.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 3 – Fund Balances

Fund balance is classified as nonspendable and restricted based primarily on the extent to which NOC COG is bound to observe constraints imposed upon the use of the resources in the government funds. At fiscal year-end, $1,946 of the fund balance was nonspendable in relation to prepaid insurance and $61,713 of the fund balance was restricted for job training.

Note 4 – Deposits and Investments

Monies held by NOC COG are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the NOC COG treasury. Active monies must be maintained either as cash in the NOC COG 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 NOC COG 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 NOC COG's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies held by NOC COG 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 NOC COG, 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.

Note 5 – Receivables

Receivables at June 30, 2022, consisted of intergovernmental grants. Intergovernmental receivables represent amounts owed to NOC COG from the Ohio Department of Jobs and Family Services for grant funds earned but not received in the amount of $415,817. All receivables are considered fully collectible and will be received within one year.

Note 6 - Defined Benefit Pension Plan

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

Net Pension Liability/Net OPEB Asset

The net pension liability and the net OPEB 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 NOC COG'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) calculations are 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 NOC COG's obligation for this liability to annually required payments. The NOC COG cannot control benefit terms or the manner in which pensions are financed; however, the NOC COG 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 pension/OPEB asset* or a long-term *net pension/OBEB 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.* The remainder of this note includes the required pension disclosures. See Note 7 for the required OPEB disclosures.

Ohio Public Employees Retirement System (OPERS)

Plan Description – NOC COG employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

While members (e.g. NOC COG employees) may elect the member-directed plan and the combined plan, substantially, all employee members are in OPERS' traditional plan. Therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting https://www.opers.org/financial/reports.shtml, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the tradition and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final Average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
Fiscal Year 2022 Statutory Maximum Contribution Rates	
Employer	14.0%
Employee	10.0%
Fiscal Year 2022 Actual Contribution Rates	
Employer:	
Pension *	14.0%
Post-employment Health Care Benefits *	0.0
Total Employer	14.0%
Employee	10.0%

* These pension and employer health care rates are for the traditional plan.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For fiscal year 2022, the NOC COG’s contractually required contribution was $18,525. Of this amount, $1,732 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 for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The NOC COG's proportion of the net pension liability was based on the NOC COG'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 of the NOC COG’s defined benefit pension plans:

	OPERS Traditional Plan
Proportion of the Net Pension Liability:	
Current Measurement Date	0.0008900%
Prior Measurement Date	0.0012470%
Change in Proportionate Share	-0.0003570%
Proportionate Share of the:	
Net Pension Liability	$77,434
Pension Expense	(47,665)

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

	OPERS Traditional Plan
Deferred Outflows of Resources	
Differences between expected and actual experience	$3,947
Changes of assumptions	9,683
NOC COG contributions subsequent to the measurement date	9,383
Total Deferred Outflows of Resources	$23,013
Deferred Inflows of Resources	
Differences between expected and actual experience	$1,698
Net difference between projected and actual earnings on pension plan investments	92,105
Changes in proportion and differences between NOC COG contributions and proportionate share of contributions	50,897
Total Deferred Inflows of Resources	$144,700

$9,383 reported as deferred outflows of resources related to pension resulting from NOC COG contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in fiscal year 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan
Fiscal Year Ending June 30:	
2023	($50,408)
2024	(44,353)
2025	(21,657)
2026	(14,652)
Total	($131,070)

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification 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. The total pension liability was determined by an actuarial valuation as of December 31, 2021, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2 percent down to 6.9 percent, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, prepared as of December 31, 2021, reflecting experience study results, are presented below:

	OPERS Traditional Plan
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2022, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

Key actuarial assumptions and methods used in the prior actuarial valuation, prepared as of December 31, 2020, are presented below:

	OPERS Traditional Plan
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	0.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 15.3 percent for 2021.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	1.03%
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	100.00%	4.21%

Discount Rate The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional plan and the combined plan. The discount rate for the prior year was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the NOC COG's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the NOC COG's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the NOC COG's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
NOC COG's proportionate share of the net pension liability			
OPERS Traditional Plan	$204,157	$77,434	($28,017)

Note 7 - Defined Benefit OPEB Plan

See Note 6 for a description of the net OPEB asset.

Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015 will have an allowance of at least 75 percent of the base allowance.

The heath care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

NOC COG did not have a contractually required contribution for fiscal year 2022.

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The NOC COG's proportion of the net OPEB asset was based on the NOC COG's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the Net OPEB Asset:	
Current Measurement Date	0.0008280%
Prior Measurement Date	0.0011610%
Change in Proportionate Share	-0.0003330%
Proportionate Share of the Net OPEB Asset	$25,934
OPEB Expense	($26,904)

At June 30, 2022, the NOC COG reported deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Inflows of Resources	
Differences between expected and actual experience	$3,934
Changes of assumptions	10,498
Net difference between projected and actual earnings on OPEB plan investments	12,364
Changes in proportion and differences between NOC COG contributions and proportionate share of contributions	10,054
Total Deferred Inflows of Resources	$36,850

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Fiscal Year Ending June 30:	
2023	($24,699)
2024	(7,674)
2025	(2,701)
2026	(1,776)
Total	($36,850)

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used for 2021 compared to those used for 2020 are as follows:

	December 31, 2021	December 31, 2020
Wage Inflation	2.75 percent	3.25 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate	6.00 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	1.84 percent	2.00 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2034	8.5 percent, initial 3.50 percent, ultimate in 2035
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 14.3 percent for 2021.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	0.91%
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00%	3.45%

Discount Rate A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the NOC COG's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate The following table presents the NOC COG's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the NOC COG's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower 5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
NOC COG's proportionate share of the net OPEB Asset	$15,252	$25,934	$34,801

Sensitivity of the NOC COG's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
NOC COG's proportionate share of the net OPEB Asset	$26,214	$25,934	$25,602

Note 8 – Contingent Liabilities

There are no pending material lawsuits in which Northeast Ohio Consortium Council of Governments is involved.

Under the terms of federal and state grants, periodic audits are required and certain expenditures may be questioned as not appropriate under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies.

There are no expenditures recommended for disallowance. Costs recommended for disallowance are those involving expenditures for which existing documentary evidence leads the auditor to conclude that the expenditures were in violation of legislative or regulatory requirements. These costs are disallowed by the grantor unless the grantee is able to convince the grantor that they were made in accordance with legal or regulatory requirements.

Note 9 – Compensated Absences

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Sick leave is accrued at the rate of 4.6 hours per eighty hours of service worked. Employees earn vacation different rates depending upon length of service and type of employment. Vacation leave benefits are credited to each employee upon the employee's full-time anniversary date. Vacation benefits are lost upon the following year's anniversary date if employees do not use these balances during the year unless prior approval has been obtained from an immediate supervisor. Upon termination, employees are paid up to a maximum of 250 hours for accumulated unused sick leave.

Note 10 – Lease Commitments

NOC COG does not have any material lease commitments. Total office rent expense was $15,000 for fiscal year ended June 30, 2022. NOC COG leases office space under a lease agreement for one year at a time. This lease agreement does not qualify under GASB Statement 87.

Note 11 – Risk Management

Property and Liability Insurance

NOC COG is exposed to various risks of loss related to torts, thefts of, damages to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2022, NOC COG contracted with County Risk Sharing Authority (CORSA) for officer and director liability, general liability, automobile liability and business personal property insurance. The director and officer liability policy provides aggregate coverage in the amount of $1,000,000 with a deductible of $2,500. The general liability and automobile liability coverage is $1,000,000 for each occurrence with a deductible of $2,500. The business personal property coverage limit is $56,815 with a deductible of $2,500 in any one occurrence.

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

Workers' compensation coverage is provided by the State. NOC COG pays the State Workers' Compensation System a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs.

As NOC COG does not have capital assets, no other type of insurance is necessary.

Employee Medical Benefits

NOC COG provides life, health, and dental insurance to its employees through Anthem Blue Cross Blue Shield.

Note 12 - Long-Term Obligations

Changes in long-term obligations during fiscal year 2022 were as follows:

	Outstanding 6/30/21	Additions	Deductions	Outstanding 6/30/22
Long-Term Obligations				
Net Pension Liability				
OPERS	$184,653	$0	($107,219)	$77,434
Compensated Absences	15,343	2,621	(1,854)	16,110
Total Governmental Activities Long-Term Liabilities	$199,996	$2,621	($109,073)	$93,544

The NOC COG pays obligations related to compensated absences and employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension liability. For additional information related to the net pension liability see Note 6. At June 30, 2022, the net pension liability and compensated absences do not have any amounts due in one year.

Note 13 – Public Entity Risk Pool

The County Risk Sharing Authority (CORSA) is a public entity risk sharing pool among sixty-five counties in Ohio. CORSA was established in 1987 as an Ohio nonprofit, self-insured pool to provide member counties with the best comprehensive property and liability coverage and highest quality risk management services at a stable and competitive price.

Member Counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. CORSA provides comprehensive coverage and risk management services for property and liability coverage including general liability, law enforcement liability, automobile liability, errors and omissions, direct physical loss or damage, equipment breakdown and crime.

CORSA is governed by nine Directors, who are County Commissioners from member counties. The Directors are elected by CORSA members and are eligible to serve three, two year terms. The officers are elected by the Board of Directors, and are eligible to serve two, one year terms. Each member county designates a voting representative and alternate in accordance with CORSA's Code of Regulations.

CORSA has earned the Advisory Standards Recognition from the association of Governmental Risk Pool (AGRIP). The award recognizes those pools that adhere to the eighty-eight "best practices" standards as established by AGRIP's Membership Practices Committee, relating to the governance, management, financial accounting and operation of the pool.

Note 14 – Change in Accounting Principle

For fiscal year 2022, the NOC COG implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases and related guidance from (GASB) Implementation Guide No. 2019-3, Leases.

GASB Statement 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. NOC COG did not have any contracts that met the GASB 87 definition of a lease.

The NOC COG is also implementing Implementation Guide No. 2020-1, GASB Statement No. 92 –Omnibus 2020, and GASB Statement No. 97 -- Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. These changes were incorporated in the NOC COG's 2022 financial statements; however, there was no effect on beginning net position/fund balance.

Note 15 – COVID-19

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

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Required Supplementary Information

Northeast Ohio Consortium Council of Governments

Required Supplementary Information

Schedule of NOC COG's Proportionate Share of the Net Pension Liability

Ohio Public Employees Retirement System - Traditional Plan

*Last Eight Fiscal Years (1) **

	2022	2021	2020
NOC COG's Proportion of the Net Pension Liability	0.0008900%	0.0012470%	0.0013920%
NOC COG's Proportionate Share of the Net Pension Liability	$77,434	$184,653	$275,139
NOC COG's Covered Payroll	$129,129	$175,643	$195,893
NOC COG's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.97%	105.13%	140.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%

(1) Information prior to 2015 is not available.

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

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015
0.0011780%	0.0013500%	0.0014790%	0.0011590%	0.0012240%
$322,629	$211,790	$335,855	$200,753	$147,628
$159,064	$178,354	$191,233	$144,300	$150,433
202.83%	118.75%	175.63%	139.12%	98.14%
74.70%	84.66%	77.25%	81.08%	86.45%

Northeast Ohio Consortium Council of Governments

Required Supplementary Information

Schedule of NOC COG's Proportionate Share of the Net OPEB Liability (Asset)

Ohio Public Employees Retirement System - Traditional Plan

*Last Six Fiscal Years (1)**

	2022	2021	2020
NOC COG's Proportion of the Net OPEB Liability (Asset)	0.0008280%	0.0011610%	0.0012970%
NOC COG's Proportionate Share of the Net OPEB Liability (Asset)	($25,934)	($20,684)	$179,151
NOC COG's Covered Payroll	$129,129	$175,643	$195,893
NOC COG's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-20.08%	-11.78%	91.45%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information

2019	2018	2017
0.0010970%	0.0012600%	0.0014700%
$143,024	$136,827	$148,475
$159,064	$178,354	$191,233
89.92%	76.72%	77.64%
46.33%	54.14%	54.04%

Northeast Ohio Consortium Council of Governments

Required Supplementary Information

Schedule of NOC COG's Contributions

Ohio Public Employees Retirement System - Traditional Plan

Last Eight Fiscal Years (1)

	2022	2021	2020
Net Pension Liability			
Contractually Required Contribution	$18,525	$23,731	$26,446
Contributions in Relation to the Contractually Required Contribution	(18,525)	(23,731)	(26,446)
Contribution Deficiency (Excess)	$0	$0	$0
NOC COG Covered Payroll (2)	$132,321	$169,507	$188,900
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%
Net OPEB Liability			
Contractually Required Contribution	$0	$0	$0
Contributions in Relation to the Contractually Required Contribution	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%
Total Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2015 is not available. An additional column will be added each year.

(2) NOC COG's covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015
$20,559	$22,909	$23,850	$21,014	$16,814
(20,559)	(22,909)	(23,850)	(21,014)	(16,814)
$0	$0	$0	$0	$0
$146,850	$169,364	$190,570	$175,117	$140,117
14.00%	13.53%	12.52%	12.00%	12.00%
$0	$802	$2,830	$3,502	$2,802
0	(802)	(2,830)	(3,502)	(2,802)
$0	$0	$0	$0	$0
0.00%	0.47%	1.49%	2.00%	2.00%
14.00%	14.00%	14.00%	14.00%	14.00%

Changes in Assumptions – OPERS Pension –Traditional Plan

Amounts reported in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2022	2019	2017 and 2018	2016 and prior
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for post-January 7, 2013 retirees are as follows:

COLA or Ad Hoc COLA	
Post-January 7, 2013 Retirees	
2022	3 percent, simple through 2022, then 2.05 percent, simple
2021	.5 percent, simple through 2021, then 2.15 percent, simple
2020	1.4 percent, simple through 2020, then 2.15 percent, simple
2017 through 2019	3 percent, simple through 2018, then 2.15 percent, simple
2016 and prior	3 percent, simple through 2018, then 2.8 percent, simple

Amounts reported for 2022 use mortality rates based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Amounts reported for 2017 through 2021 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions – OPERS OPEB

Investment Return Assumption:	
Beginning in Fiscal year 2019	6.00 percent
Fiscal year 2018	6.50 percent
Municipal Bond Rate:	
Fiscal year 2021	1.84 percent
Fiscal year 2021	2.00 percent
Fiscal year 2020	2.75 percent
Fiscal year 2019	3.71 percent
Fiscal year 2018	3.31 percent
Single Discount Rate:	
Fiscal year 2021	6.00 percent
Fiscal year 2020	3.16 percent
Fiscal year 2019	3.96 percent
Fiscal year 2018	3.85 percent
Health Care Cost Trend Rate:	
Fiscal year 2021	5.50 percent, initial 3.5 percent, ultimate in 2034
Fiscal year 2021	8.50 percent, initial 3.5 percent, ultimate in 2035
Fiscal year 2020	10.0 percent, initial 3.5 percent, ultimate in 2030
Fiscal year 2019	10.0 percent, initial 3.25 percent, ultimate in 2029
Fiscal year 2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in fiscal year 2022.

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NORTHEAST OHIO CONSORTIUM COUNCIL OF GOVERNMENTS
GEAUGA COUNTY

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

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal AL Number**	**Pass Through Entity Identifying Number**	**Passed Through to Subrecipients**	**Total Federal Expenditures**
U.S. DEPARTMENT OF LABOR				
Passed Through Ohio Department of Job & Family Services:				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
WIOA - Adult Program	17.258	(A)	$717,576	$717,576
WIOA - Adult Administration		(A)		43,127
Non-Formulary Grants - OMJ Resource Sharing		(A)	130,386	130,386
Total - WIOA Adult Program			**847,962**	**891,089**
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
CCMEP WIOA - Youth Administration	17.259	(A)		93,170
CCMEP WIOA - Youth Program		(A)	1,048,067	1,048,067
Total - WIOA Youth Activities			**1,048,067**	**1,141,237**
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
WIOA - Dislocated Worker Administration	17.278	(A)		17,935
WIOA - Dislocated Worker Program		(A)	339,057	339,057
Non-Formulary Grants - OMJ Resource Sharing		(A)	177,600	177,600
Total - Dislocated Worker Formula Grants			**516,657**	**534,592**
Total WIOA Cluster			**2,412,686**	**2,566,918**
Employment Services/Wagner-Peyser Funded Activities	17.207	(A)	**40,079**	**40,079**
RESEA Grant-Program	17.225	(A)	226,860	226,860
RESEA Grant-Admin		(A)		18,849
Total - RESEA Grant			**226,860**	**245,709**
Trade Adjustment Assistance	17.245	(A)	**6,192**	**6,192**
NDWG Grants-Program	17.277	(A)	142,573	142,573
NDWG Grants-Admin		(A)		13,000
Total - NDWG Grant			**142,573**	**155,573**
Total U.S. Department of Labor			**2,828,390**	**3,014,471**
Department of Health and Human Services				
Passed Through Ohio Department of Job & Family Services:				
Temporary Assistance for Needy Families (TANF)	93.558	(A)	**16,304**	**16,304**
Totals			**$2,844,694**	**$3,030,775**

(A) - Entity number not known or not applicable.

The accompanying notes are an integral part of this Schedule.

NORTHEAST OHIO CONSORTIUM COUNCIL OF GOVERNMENTS
GEAUGA COUNTY

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

NOTE A – BASIS OF PRESENTATION

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

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

NOTE D - SUBRECIPIENTS

The NOC COG passes certain federal awards received from the Department of Job and Family Services to other governments or not-for-profit agencies (subrecipients). As Note B describes, the NOC COG reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the NOC COG has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE E – ADMINISTRATIVE EXPENSES

The Administrative expenses for these programs are allocated between AL numbers 17.225, 17.277, 17.258, 17.259 and 17.278, based on a percentage of the federal expenditures.

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
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(800) 282-0370

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

Northeast Ohio Consortium Council of Governments
Geauga County
385 Center Street, Suite 100
Chardon, Ohio 44024

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Northeast Ohio Consortium Council of Governments, Geauga County, (the NOC COG) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the NOC COG's basic financial statements and have issued our report thereon dated March 6, 2023, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the NOC COG.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

March 6, 2023

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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

Northeast Ohio Consortium Council of Governments
Geauga County
385 Center Street, Suite 100
Chardon, Ohio 44024

To the Board of Directors:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Northeast Ohio Consortium Council of Government's (the NOC COG) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Northeast Ohio Consortium Council of Government's major federal program for the year ended June 30, 2022. Northeast Ohio Consortium Council of Government's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Northeast Ohio Consortium Council of Governments complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

March 6, 2023

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NORTHEAST OHIO CONSORTIUM COUNCIL OF GOVERNMENTS
GEAUGA COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	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):**	Workforce Investment Act (WIA)/Workforce Innovation and Opportunity Act (WIOA) Cluster: AL #17.258 – WIA/WIOA Adult Program AL #17.259 – WIA Youth Activities AL #17.278 – WIA/WIOA Dislocated Worker Formula Grant
(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

NORTHEAST OHIO CONSORTIUM COUNCIL OF GOVERNMENTS

GEAUGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 3/28/2023

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