

GREENFIELD EXEMPTED VILLAGE SCHOOL DISTRICT
HIGHLAND COUNTY
SINGLE AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022



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OHIO AUDITOR OF STATE
KEITH FABER



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Board of Education
Greenfield Exempted Village School District
200 North Fifth Street
Greenfield, OH 45123

We have reviewed the *Independent Auditor's Report* of the Greenfield Exempted Village School District, Highland County, prepared by Millhuff-Stang, CPA, Inc., for the audit period July 1, 2021 through June 30, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

March 26, 2024

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Greenfield Exempted Village School District
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Independent Auditor's Report

Board of Education
Greenfield Exempted Village School District
200 North Fifth Street
Greenfield, Ohio 45123

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Greenfield Exempted Village School District, Highland County, Ohio, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparison of the General Fund, Title I Fund, and the ESSER Fund thereof for the year then ended in accordance with 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 (*Government Auditing Standards*). 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 School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in note 22 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the School District. 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of net pension and OPEB liabilities (assets), and the schedules of School District 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 GAAS, 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.

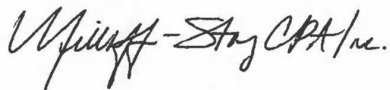
We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The schedule of federal awards expenditures, as required by Title 2 U.S. *Code of Federal Regulations* 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 GAAS. In our opinion, the schedule of federal awards expenditures 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 January 10, 2024 on our consideration of the School District's internal control over financial reporting and on 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 School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.



Millhuff-Stang, CPA, Inc.
Chillicothe, Ohio

January 10, 2024

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- The School District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2022 by \$26,497,009.
- The School District's net position of governmental activities increased \$2,142,971.
- General revenues accounted for \$23,365,946 in revenue or 78 percent of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions, and capital grants and contributions accounted for \$6,613,341 or 22 percent of total revenues of \$29,979,287.
- The School District had \$27,836,316 in expenses related to governmental activities; \$6,613,341 of these expenses were offset by program specific charges for services and sales, operating grants and contributions, and capital grants and contributions.

USING THIS ANNUAL FINANCIAL REPORT

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

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

REPORTING THE SCHOOL DISTRICT AS A WHOLE

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

In evaluating the overall financial health, the user of these financial statements needs to take into account non-financial factors that also impact the School District's financial well-being. Some of these factors include the condition of capital assets, and required educational support services to be provided.

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

- Governmental Activities. Most of the School District's programs and services are reported here including instruction and support services.

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the School District's funds begins on page 10. Fund financial statements provide detailed information about the School District's major funds – not the School District as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Treasurer with approval from the Board to help control, manage and report money received for a particular purpose or to show that the School District is meeting legal responsibilities for use of grants. The School District's major funds are the General Fund, Capital Projects Fund, the Scholarship Permanent Fund, the ESSER Special Revenue Fund, and the Title I Special Revenue Fund.

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

Proprietary Funds. The School District's only proprietary fund is an internal service fund. Since the internal service fund operates on a break-even, cost-reimbursement basis, the School District reports it as a proprietary fund using the full accrual basis of accounting. Since the internal fund exclusively benefits governmental functions, it has been included with governmental activities in the government-wide financial statements.

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

The School District's fiduciary funds are a custodial fund which is used to maintain financial activity of the School District's fund to account for State athletic tournament games, and private purpose trust funds which are used to maintain the financial activity of the School District's Scholarship Funds for which outside parties control the award of the scholarships.

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

THE SCHOOL DISTRICT AS A WHOLE

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

Table 1
Net Position

	Governmental Activities	
	2022	2021
Assets:		
Current and Other Assets	\$ 34,556,295	\$ 35,454,853
Net OPEB Asset	1,671,941	1,408,043
Capital Assets, Net	22,310,539	20,982,965
Total Assets	<u>58,538,775</u>	<u>57,845,861</u>
Deferred Outflows of Resources:		
Pensions	5,427,068	4,573,051
OPEB	847,552	844,429
Total Deferred Outflows of Resources	<u>6,274,620</u>	<u>5,417,480</u>
Liabilities:		
Current and Other Liabilities	2,971,532	2,310,041
Long-Term Liabilities:		
Due Within One Year	50,195	53,375
Due in More than One Year:		
Net Pension Liabilities	13,952,595	25,896,184
Net OPEB Liabilities	2,011,754	2,189,275
Other Amounts	1,828,738	1,769,599
Total Liabilities	<u>20,814,814</u>	<u>32,218,474</u>
Deferred Inflows of Resources:		
Pensions	10,686,624	125,176
OPEB	3,087,929	2,786,409
Property Taxes not Levied to Finance Current Year Operations	3,727,019	3,779,244
Total Deferred Inflows of Resources	<u>17,501,572</u>	<u>6,690,829</u>
Net Position:		
Net Investment in Capital Assets	22,121,866	20,982,965
Restricted	7,617,307	10,924,880
Unrestricted (Deficit)	<u>(3,242,164)</u>	<u>(7,553,807)</u>
Total Net Position	<u>\$ 26,497,009</u>	<u>\$ 24,354,038</u>

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

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

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

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

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position. If there is a net OPEB asset, it will be reported in the asset section of the statement of net position. In accordance with GASB 68 and GASB 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability (asset), respectively, not accounted for as deferred inflows/outflows.

Total net position of the School District as a whole increased \$2,142,971. The primary reason for the decrease in current assets was primarily due to decreases in cash and investments.

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

The increase in capital assets was primarily due to additions, which was partially offset by current year depreciation expense and disposals. The increase in current liabilities was primarily due to increases in accounts payable, intergovernmental payables, contracts and retainage payable which were partially offset by the decreases in accrued wages and benefits payable. Long-term liabilities decreased primarily due to a decrease in the net pension liabilities. The increases in deferred outflows of resources and increases in deferred inflows of resources are primarily due to pension and OPEB related activity.

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

Table 2
Change in Net Position

	Governmental Activities 2022	2021
Revenue		
Program Revenues:		
Charges for Services and Sales	\$ 1,011,210	\$ 1,249,482
Operating Grants and Contributions	5,538,787	5,453,713
Capital Grants and Contributions	63,344	99,648
Total Program Revenues	<u>6,613,341</u>	<u>6,802,843</u>
General Revenue:		
Income Taxes	2,699,354	2,359,129
Grants and Entitlements, Not Restricted for Specific Programs	16,189,023	16,140,706
Gifts and Donations, Not Restricted for Specific Programs	113,104	121,547
Investment Earnings	(129,040)	124,015
Miscellaneous	285,643	224,576
Property Taxes	4,207,862	3,928,238
Total General Revenues	<u>23,365,946</u>	<u>22,898,211</u>
Total Revenues	<u>29,979,287</u>	<u>29,701,054</u>
Program Expenses		
Instruction		
Regular	12,337,868	13,085,465
Special	2,370,769	3,203,073
Vocational	695,238	392,626
Other	925,739	1,836,751
Support Services		
Pupils	837,868	1,009,940
Instructional Staff	815,863	289,223
Board of Education	123,212	80,673
Administration	2,171,546	2,277,804
Fiscal	644,080	703,384
Operation and Maintenance of Plant	2,644,009	2,866,501
Pupil Transportation	1,593,795	1,884,284
Central	84,657	122,971
Operation of Non-Instructional Services	1,621,475	1,353,152
Extracurricular Activities	970,197	1,078,603
Interest and Fiscal Charges	-	3,500
Total Expenses	<u>27,836,316</u>	<u>30,187,950</u>
Change in Net Position	2,142,971	(486,896)
Net Position at Beginning of Year	24,354,038	24,840,934
Net Position at End of Year	<u>\$ 26,497,009</u>	<u>\$ 24,354,038</u>

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

Governmental Activities

Charges for services and sales comprised 3 percent of revenue for governmental activities, unrestricted grants and entitlements comprised 54 percent, while operating grants and contributions comprised 18 percent of revenue for governmental activities of the School District for fiscal year 2022. Income tax revenue comprised 9 percent of revenue for governmental activities and increased slightly in 2022. Property tax revenue comprised 14 percent of revenue for governmental activities for fiscal year 2022 and increased slightly in 2022. Operating grants and contributions remained consistent with the prior year.

As indicated by governmental program expenses, instruction is emphasized. Regular Instruction comprised 44 percent of governmental program expenses and special instruction comprised 9 percent of governmental program expenses. The decreases in expenses is due mainly to pension and OPEB activity.

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

Table 3
Governmental Activities

	Total Cost of Services <u>2022</u>	Net Cost of Services <u>2022</u>	Total Cost of Services <u>2021</u>	Net Cost of Services <u>2021</u>
Program Expenses				
Instruction:				
Regular	\$12,337,868	\$ 10,076,714	\$13,085,465	\$ 10,759,689
Special	2,370,769	864,219	3,203,073	1,362,267
Vocational	695,238	563,983	392,626	254,081
Other	925,739	892,101	1,836,751	1,764,498
Support Services:				
Pupils	837,868	811,631	1,009,940	970,011
Instructional Staff	815,863	333,667	289,223	277,815
Board of Education	123,212	119,175	80,673	77,821
Administration	2,171,546	2,009,000	2,277,804	2,167,089
Fiscal	644,080	621,206	703,384	675,814
Operation and Maintenance of Plant	2,644,009	2,489,112	2,866,501	2,631,766
Pupil Transportation	1,593,795	1,547,375	1,884,284	1,814,884
Central	84,657	81,966	122,971	118,218
Operation of Non-Instructional Services	1,621,475	418,749	1,353,152	(107,155)
Extracurricular Activities	970,197	394,077	1,078,603	614,809
Interest and Fiscal Charges	-	-	3,500	3,500
Total	<u>\$ 27,836,316</u>	<u>\$ 21,222,975</u>	<u>\$ 30,187,950</u>	<u>\$ 23,385,107</u>

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

THE SCHOOL DISTRICT'S FUNDS

Governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$30,730,808 and expenditures and other financing uses of \$33,540,424.

The fund balance of the General Fund decreased by \$301,062. This decrease is due mainly to expenditures exceeding revenues.

The fund balance of the Capital Projects Fund decreased \$402,509. The Capital Projects Fund had expenditures in the amount of \$402,509. The fund balance of the Scholarships Fund decreased \$186,086 due to a decrease in the fair value of investments. The fund balance of the Title I Fund decreased \$3,794. The Title I Fund had revenues in the amount of \$962,039 and expenditures in the amount of \$965,833. The fund balance of the ESSER Fund increased \$105,367. The ESSER Fund had revenues in the amount of \$1,940,363 and expenditures in the amount of \$1,834,996.

General Fund Budgeting Highlights

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

During 2022, there were several revisions to the General Fund budget. In part, these revisions increased estimated revenues and other financing sources by \$3,513,498 and increased appropriations by \$2,357,737. The General fund's ending unobligated cash balance was \$6,101,317.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022, the School District had \$22,310,539 invested in its capital assets. Table 4 shows the fiscal year 2022 balances compared to 2021.

Table 4
 Capital Assets
 (Net of Depreciation)

	Governmental Activities	
	2022	2021
Land	\$ 280,114	\$ 280,114
Land Improvements	228,200	250,512
Buildings and Improvements	18,397,711	16,930,584
Furniture and Equipment	2,347,956	2,541,477
Vehicles	1,056,558	980,278
Totals	\$ 22,310,539	\$ 20,982,965

Changes in capital assets from the prior year resulted from the additions and depreciation expense. See Note 7 to the basic financial statements for more detailed information related to capital assets.

Greenfield Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

Debt

The District did not have any debt outstanding as of June 30, 2022. See Note 13 to the basic financial statements for more detailed information relating to long-term obligations.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the School District's financial condition and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Joe Smith, Treasurer, Greenfield Exempted Village Schools, 200 North Fifth Street, Greenfield, Ohio 45123.

Greenfield Exempted Village School District
Statement of Net Position
June 30, 2022

	Governmental Activities
ASSETS:	
Current Assets:	
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 25,415,189
Investments	2,691,847
Accrued Interest Receivable	13,453
Prepaid Items	211,768
Intergovernmental Receivable	927,006
Taxes Receivable	5,297,032
Noncurrent Assets:	
Net OPEB Asset	1,671,941
Non-Depreciable Capital Assets	280,114
Depreciable Capital Assets, net	22,030,425
<i>Total Assets</i>	58,538,775
DEFERRED OUTFLOWS OF RESOURCES:	
Pensions:	
State Teachers Retirement System	4,642,582
School Employees Retirement System	784,486
OPEB:	
State Teachers Retirement System	200,367
School Employees Retirement System	647,185
<i>Total Deferred Outflows of Resources</i>	6,274,620
LIABILITIES:	
Current Liabilities:	
Accounts Payable	955,643
Accrued Wages and Benefits	1,315,712
Contracts Payable	80,313
Intergovernmental Payable	402,974
Retainage Payable	108,360
Matured Compensated Absences Payable	89,431
Claims Payable	19,099
Noncurrent Liabilities:	
Due Within One Year	50,195
Due in More Than One Year	
Net Pension Liability (See Note 10)	13,952,595
Net OPEB Liability (See Note 11)	2,011,754
Other Amounts Due in More Than One Year	1,828,738
<i>Total Liabilities</i>	20,814,814
DEFERRED INFLOWS OF RESOURCES	
Pensions:	
State Teachers Retirement System	8,623,615
School Employees Retirement System	2,063,009
OPEB:	
State Teachers Retirement System	1,766,786
School Employees Retirement System	1,321,143
Property Taxes not Levied to Finance Current Year Operations	3,727,019
<i>Total Deferred Inflows of Resources</i>	17,501,572
NET POSITION:	
Net Investment in Capital Assets	22,121,866
Restricted for Debt Service	915,436
Restricted for Capital Outlay	1,157,253
Restricted for Scholarships	3,376,032
Restricted for Other Purposes	2,168,586
Unrestricted (Deficit)	(3,242,164)
<i>Total Net Position</i>	\$ 26,497,009

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Activities
For the Fiscal Year Ended June 30, 2022

	Program Revenues				Net (Expense)
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities:					Governmental Activities
Instruction:					
Regular	\$ 12,337,868	\$ 440,552	\$ 1,820,602	\$ -	\$ (10,076,714)
Special	2,370,769	80,476	1,426,074	-	(864,219)
Vocational	695,238	22,201	109,054	-	(563,983)
Other	925,739	33,638	-	-	(892,101)
Support Services:					
Pupils	837,868	26,237	-	-	(811,631)
Instructional Staff	815,863	40,585	441,611	-	(333,667)
Board of Education	123,212	4,037	-	-	(119,175)
Administration	2,171,546	75,056	87,490	-	(2,009,000)
Fiscal	644,080	22,874	-	-	(621,206)
Operation and Maintenance of Plant	2,644,009	79,055	12,498	63,344	(2,489,112)
Pupil Transportation	1,593,795	46,420	-	-	(1,547,375)
Central	84,657	2,691	-	-	(81,966)
Operation of Non-Instructional Services	1,621,475	90,367	1,112,359	-	(418,749)
Extracurricular Activities	970,197	47,021	529,099	-	(394,077)
Total Governmental Activities	\$ 27,836,316	\$ 1,011,210	\$ 5,538,787	63,344	(21,222,975)
General Revenues:					
Taxes Levied for:					
General Purposes					4,172,718
Classroom Facilities					35,144
Income Taxes					2,699,354
Grants and Entitlements, Not Restricted to Specific Programs					16,189,023
Gifts and Donations, Not Restricted to Specific Programs					113,104
Decrease in Fair Value of Investments					(290,307)
Investment Earnings					161,267
Miscellaneous					285,643
Total General Revenues					23,365,946
Change in Net Position					2,142,971
Net Position Beginning of Year					24,354,038
Net Position End of Year					\$ 26,497,009

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Balance Sheet
Governmental Funds
June 30, 2022

	General	Capital Projects	Scholarships	ESSER	Title I	All Other Governmental Funds	Total Governmental Funds
ASSETS:							
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 8,204,228	\$ 5,931,607	\$ 1,107,383	\$ 1,078,248	\$ 174,045	\$ 4,291,387	\$ 20,786,898
Investments	-	-	2,691,847	-	-	-	2,691,847
Accrued Interest Receivable	13,453	-	-	-	-	-	13,453
Interfund Receivable	7,515,562	-	-	-	-	-	7,515,562
Intergovernmental Receivable	64,184	-	-	717,874	97,706	47,242	927,006
Prepaid Items	202,176	-	-	-	-	9,592	211,768
Taxes Receivable	5,261,888	-	-	-	-	35,144	5,297,032
<i>Total Assets</i>	<u>\$ 21,261,491</u>	<u>\$ 5,931,607</u>	<u>\$ 3,799,230</u>	<u>\$ 1,796,122</u>	<u>\$ 271,751</u>	<u>\$ 4,383,365</u>	<u>\$ 37,443,566</u>
LIABILITIES:							
Accounts Payable	\$ 391,057	\$ -	\$ -	\$ 400,591	\$ 14,439	\$ 149,556	\$ 955,643
Accrued Wages and Benefits	1,276,567	-	-	-	-	39,145	1,315,712
Contracts Payable	-	5,000	-	75,313	-	-	80,313
Interfund Payable	-	5,230,796	-	1,318,432	292,903	673,431	7,515,562
Matured Compensated Absences Payable	89,431	-	-	-	-	11,339	100,770
Intergovernmental Payable	388,199	-	-	1,786	1,650	-	391,635
Retainage Payable	-	-	-	-	-	108,360	108,360
<i>Total Liabilities</i>	<u>2,145,254</u>	<u>5,235,796</u>	<u>-</u>	<u>1,796,122</u>	<u>308,992</u>	<u>981,831</u>	<u>10,467,995</u>
DEFERRED INFLOWS OF RESOURCES:							
Property Taxes not Levied to Finance Current Year Operations	3,691,875	-	-	-	-	35,144	3,727,019
Unavailable Revenue - Delinquent Taxes	385,737	-	-	-	-	-	385,737
Unavailable Revenue - Interest	11,583	-	-	-	-	-	11,583
Unavailable Revenue - Grants	-	-	-	-	16,848	-	16,848
<i>Total Deferred Inflows of Resources</i>	<u>4,089,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,848</u>	<u>35,144</u>	<u>4,141,187</u>
FUND BALANCES:							
Nonspendable	202,176	-	3,799,230	-	-	9,592	4,010,998
Restricted	-	-	-	-	-	3,133,796	3,133,796
Committed	265,000	-	-	-	-	-	265,000
Assigned	1,105,777	695,811	-	-	-	272,769	2,074,357
Unassigned (Deficit)	13,454,089	-	-	-	(54,089)	(49,767)	13,350,233
<i>Total Fund Balances</i>	<u>15,027,042</u>	<u>695,811</u>	<u>3,799,230</u>	<u>-</u>	<u>(54,089)</u>	<u>3,366,390</u>	<u>22,834,384</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 21,261,491</u>	<u>\$ 5,931,607</u>	<u>\$ 3,799,230</u>	<u>\$ 1,796,122</u>	<u>\$ 271,751</u>	<u>\$ 4,383,365</u>	<u>\$ 37,443,566</u>

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 June 30, 2022*

Total Governmental Fund Balances		\$ 22,834,384
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		22,310,539
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Taxes	385,737	
Interest	11,583	
Intergovernmental	16,848	
Total	414,168	414,168
An internal service fund is used by management to charge the cost of insurance to individuals. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		4,609,192
The net pension and OPEB liabilities (assets) are not due and payable in the current period; therefore, the liabilities (assets) and related deferred inflows/outflows are not reported in the funds.		
Deferred outflows of resources related to pensions	5,427,068	
Deferred outflows of resources related to OPEB	847,552	
Deferred inflows of resources related to pensions	(10,686,624)	
Deferred inflows of resources related to OPEB	(3,087,929)	
Net Pension Liability	(13,952,595)	
Net OPEB Asset	1,671,941	
Net OPEB Liability	(2,011,754)	(21,792,341)
Long-term liabilities, including the long-term portion of compensated absences are not due and payable in the current period and therefore are not reported in the funds.		
Compensated Absences	(1,878,933)	
Total		(1,878,933)
Net Position of Governmental Activities		\$ 26,497,009

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	General	Capital Projects	Scholarships	ESSER	Title I	All Other Governmental Funds	Total Governmental Funds
REVENUES:							
Property Taxes	\$ 4,247,890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,247,890
Income Tax	2,699,354	-	-	-	-	-	2,699,354
Intergovernmental	16,759,757	-	-	1,940,363	962,039	2,441,096	22,103,255
Interest	5,259	-	-	-	-	152,097	157,356
Decrease in Fair Value of Investments	(104,221)	-	(186,086)	-	-	-	(290,307)
Tuition and Fees	588,257	-	-	-	-	-	588,257
Rent	400	-	-	-	-	-	400
Extracurricular Activities	13,012	-	-	-	-	301,595	314,607
Gifts and Donations	945	-	-	-	-	112,159	113,104
Customer Sales and Services	71,087	-	-	-	-	36,859	107,946
Miscellaneous	214,972	-	-	-	-	70,671	285,643
<i>Total Revenues</i>	<u>24,496,712</u>	<u>-</u>	<u>(186,086)</u>	<u>1,940,363</u>	<u>962,039</u>	<u>3,114,477</u>	<u>30,327,505</u>
EXPENDITURES:							
Current:							
Instruction:							
Regular	11,165,995	-	-	418,914	559,441	2,011,519	14,155,869
Special	2,463,232	-	-	-	242,507	-	2,705,739
Vocational	718,530	-	-	-	-	-	718,530
Other	1,053,115	-	-	-	-	-	1,053,115
Support Services:							
Pupils	923,950	-	-	-	-	-	923,950
Instructional Staff	232,414	-	-	615,878	45,073	-	893,365
Board of Education	123,288	-	-	-	-	-	123,288
Administration	2,318,920	-	-	36,480	48,025	48,000	2,451,425
Fiscal	755,266	-	-	-	-	1,810	757,076
Operation and Maintenance of Plant	2,527,951	-	-	-	-	15,915	2,543,866
Pupil Transportation	1,553,581	92,425	-	-	-	-	1,646,006
Central	95,259	-	-	-	-	-	95,259
Operation of Non-Instructional Services	-	-	-	400,685	70,787	1,185,977	1,657,449
Extracurricular Activities	150,402	5,246	-	-	-	770,470	926,118
Capital Outlay	312,568	304,838	-	363,039	-	1,505,621	2,486,066
<i>Total Expenditures</i>	<u>24,394,471</u>	<u>402,509</u>	<u>-</u>	<u>1,834,996</u>	<u>965,833</u>	<u>5,539,312</u>	<u>33,137,121</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>102,241</u>	<u>(402,509)</u>	<u>(186,086)</u>	<u>105,367</u>	<u>(3,794)</u>	<u>(2,424,835)</u>	<u>(2,809,616)</u>
OTHER FINANCING SOURCES AND USES:							
Transfers In	-	-	-	-	-	403,303	403,303
Transfers Out	(403,303)	-	-	-	-	-	(403,303)
<i>Total Other Financing Sources and Uses</i>	<u>(403,303)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>403,303</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	<u>(301,062)</u>	<u>(402,509)</u>	<u>(186,086)</u>	<u>105,367</u>	<u>(3,794)</u>	<u>(2,021,532)</u>	<u>(2,809,616)</u>
<i>Fund Balances at Beginning of Year</i>	<u>15,328,104</u>	<u>1,098,320</u>	<u>3,985,316</u>	<u>(105,367)</u>	<u>(50,295)</u>	<u>5,387,922</u>	<u>25,644,000</u>
<i>Fund Balances at End of Year</i>	<u>\$ 15,027,042</u>	<u>\$ 695,811</u>	<u>\$ 3,799,230</u>	<u>\$ -</u>	<u>\$ (54,089)</u>	<u>\$ 3,366,390</u>	<u>\$ 22,834,384</u>

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2022*

Net Change in Fund Balances - Total Governmental Funds \$ (2,809,616)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions exceeded depreciation in the current period.

Capital Asset Additions	2,486,066	
Current Year Depreciation	(1,111,953)	
Total	1,374,113	1,374,113

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets.

Loss on Disposal of Capital Assets	(46,539)	
Total	(46,539)	(46,539)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Taxes	(40,028)	
Intergovernmental	(311,814)	
Interest	3,911	
Total	(347,931)	(347,931)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Increase in Compensated Absences	(55,959)	
Total	(55,959)	(55,959)

Contractually required contributions for pensions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 1,952,256

Contractually required contributions for OPEB are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 65,832

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. 283,902

Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability (asset) are reported as OPEB expense in the statement of activities. 77,220

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities with the exception of interest earnings. 1,649,693

Net Change in Net Position of Governmental Activities **\$ 2,142,971**

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Financing Sources	\$ 32,093,524	\$ 35,607,022	\$ 34,877,011	\$ (730,011)
Total Expenditures and Other Financing Uses	32,924,588	35,282,325	36,871,118	(1,588,793)
Net Change in Fund Balance	(831,064)	324,697	(1,994,107)	(2,318,804)
Fund Balance at Beginning of Year	7,170,271	7,170,271	7,170,271	-
Prior Year Encumbrances Appropriated	925,153	925,153	925,153	-
Fund Balance at End of Year	\$ 7,264,360	\$ 8,420,121	\$ 6,101,317	\$ (2,318,804)

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Title I Fund
For the Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Financing Sources	\$ 795,428	\$ 3,101,436	\$ 2,263,965	\$ (837,471)
Total Expenditures and Other Financing Uses	1,746,511	2,153,842	2,180,426	(26,584)
Net Change in Fund Balance	(951,083)	947,594	83,539	(864,055)
Fund Balance at Beginning of Year	67,427	67,427	67,427	-
Prior Year Encumbrances Appropriated	3,861	3,861	3,861	-
Fund Balance at End of Year	\$ (879,795)	\$ 1,018,882	\$ 154,827	\$ (864,055)

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
ESSER Fund
For the Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Financing Sources	\$ 891,051	\$ 4,387,185	\$ 4,387,185	\$ -
Total Expenditures and Other Financing Uses	1,462,046	3,713,747	4,528,611	(814,864)
Net Change in Fund Balance	(570,995)	673,438	(141,426)	(814,864)
Fund Balance at Beginning of Year	0	0	0	-
Prior Year Encumbrances Appropriated	207,426	207,426	207,426	-
Fund Balance at End of Year	\$ (363,569)	\$ 880,864	\$ 66,000	\$ (814,864)

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Fund Net Position
Governmental Activities
Internal Service Fund
June 30, 2022

	<u>Internal Service</u>
ASSETS:	
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 4,628,291
<i>Total Assets</i>	4,628,291
LIABILITIES:	
Claims Payable	19,099
<i>Total Liabilities</i>	19,099
NET POSITION:	
Unrestricted	4,609,192
<i>Total Net Position</i>	\$ 4,609,192

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Revenues, Expenses and Changes in Fund Net Position
Governmental Activities
Internal Service Fund
For the Fiscal Year Ended June 30, 2022

	<u>Internal Service</u>
OPERATING REVENUES:	
Charges for Services	\$ 6,513,853
Other Revenues	<u>238</u>
<i>Total Operating Revenues</i>	<u>6,514,091</u>
OPERATING EXPENSES:	
Purchased Services	701,642
Claims	<u>4,162,756</u>
<i>Total Operating Expenses</i>	<u>4,864,398</u>
<i>Change in Net Position</i>	1,649,693
Net Position at Beginning of Year	<u>2,959,499</u>
Net Position at End of Year	<u><u>\$ 4,609,192</u></u>

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Cash Flows
Governmental Activities
Internal Service Fund
For the Fiscal Year Ended June 30, 2022

	Internal Service
<i>Increase in Cash and Cash Equivalents</i>	
<i>Cash Flows from Operating Activities:</i>	
Cash Received from Interfund Services Provided	\$ 6,513,853
Cash Received from Other Operating Sources	238
Cash Payments for Claims	(4,165,518)
Cash Payments for Purchased Services	(701,642)
<i>Net Cash Provided by Operating Activities</i>	1,646,931
Cash and Cash Equivalents at Beginning of Year	2,981,360
Cash and Cash Equivalents at End of Year	\$ 4,628,291
<i>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</i>	
Operating Income	\$ 1,649,693
<i>Changes in Liabilities:</i>	
Decrease in Claims Payable	(2,762)
<i>Net Cash Provided by Operating Activities</i>	\$ 1,646,931

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Private Purpose Trust Funds	Custodial Fund
ASSETS:		
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 207,536	\$ 1,815
Total Assets	207,536	1,815
NET POSITION:		
Restricted for Scholarships	207,536	-
Restricted for Individuals, Organizations and Other Governments	-	1,815
Total Net Position	\$ 207,536	\$ 1,815

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2022

	Private Purpose Trust Funds	Custodial Fund
ADDITIONS:		
Gifts and Contributions	\$ 158,200	\$ -
Interest	5,326	-
<i>Total Additions</i>	163,526	-
DEDUCTIONS:		
Payments in Accordance with Trust Agreements	123,837	-
Change in Net Position	39,689	-
Net Position Beginning of Year	167,847	1,815
Net Position End of Year	\$ 207,536	\$ 1,815

The notes to the basic financial statements are an integral part of this statement.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

The School District was established in 1966 through the consolidation of existing land areas and school districts. The School District serves an area of approximately 76 square miles. It is located in Highland, Ross and Fayette Counties, and includes the Villages of Greenfield, South Salem and Rainsboro. It is staffed by 123 classified employees and 155 certificated employees who provide services to 1,768 students and other community members. The School District currently operates seven instructional buildings, one administrative/instructional building, four modular/administrative instructional buildings and one garage.

Reporting Entity:

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

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

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

- * Boosters Clubs
- * Parent Teacher Organizations

The School District is associated with two organizations which are defined as jointly governed organizations and one as a claims servicing pool. These organizations are the Metropolitan Educational Technology Association (META), the Great Oaks Institute of Technology and the Ohio Schools Benefits Cooperative. These organizations are presented in Notes 15 and 16 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation - Fund Accounting

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

Government-wide Financial Statements:

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

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

Fund Financial Statements:

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

B. Fund Accounting

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

Governmental Funds

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

General Fund

The General Fund is the general operating fund of the School District and is used to account for all financial resources not accounted for and reported in another fund. The General Fund is available to the

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

School District for any purpose provided it is expended or transferred according to the school laws of Ohio.

Capital Projects

The Capital Projects fund is used to account for intergovernmental monies and transfers in used for major construction projects.

Scholarships

The Scholarships fund is used to account for donations and endowments received for scholarships.

Title I Fund

The Title I fund is used to provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children. Included are the Even Start and Comprehensive School Reform programs. The major source of revenue for this fund is grant monies received from federal sources.

ESSER Fund

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

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

Proprietary Funds

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

Internal Service Fund

The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's internal service fund is used for employee excess costs not covered by Medical Mutual.

Fiduciary Funds

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

The School District's fiduciary funds are a custodial fund which is used to maintain financial activity of the School District's fund to account for State athletic tournament games, and private purpose trust funds which are used to maintain the financial activity of the School District's Scholarship Funds for which outside parties control the award of the scholarships.

Measurement Focus

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using either the modified accrual basis of accounting for governmental funds or the accrual basis of accounting for proprietary and fiduciary funds. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue, the recording of deferred inflows and outflows of resources related to net pension/OPEB liabilities (assets), the recording of net pension/OPEB liabilities (assets), and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditures requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Outflows and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditures/expenses) until then. The School District recorded a deferred outflow of resources for pensions and other postemployment benefits. The deferred outflows of resources related to the pension are explained in Note 10. The deferred outflows of resources related to OPEB are explained in Note 11. The School District also reports a deferred inflow of resources which represents an acquisition of net position/fund balance that applies to a future period and will not be recognized as an inflow of resources (revenues) until that time. For the School District these amounts consist of taxes, interest and grants which are not collected in the available period and pensions and OPEB. The difference between deferred inflows on the Statement of Net Position and the Balance Sheet is partially due to delinquent property taxes, interest receipts and grants not received during the available period. These were reported as revenues on the Statement of Activities and not recorded as deferred inflows on the Statement of Net Position. Deferred inflows of resources related to pension and OPEB are only reported on the Statement of Net Position and are explained in Notes 10 and 11.

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, except for (1) principal and interest on general long-term debt, which is recorded when due, (2) the costs of accumulated unpaid vacation, personal leave and sick leave are reported as fund liabilities as payments come due each period upon the occurrence of employee resignations and retirements. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

C. Budgetary Process

All funds, other than the custodial fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer maintains budgetary information at the fund and object level and has the authority to allocate appropriations at the function and object level without resolution by the Board.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statement reflect the amounts in the certificate when the first permanent appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statement reflect the amounts in the final amended certificate issued during fiscal year 2022.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Budgetary Process (continued)

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

D. Cash, Cash Equivalents, and Investments

To improve cash management, all cash received by the School District is pooled. Monies for all funds, except for a portion of the Scholarships Fund which are reported separately as investments, are maintained in this pool. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as Equity in Pooled Cash, Cash Equivalents and Investments on the financial statements.

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

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$250 million per day. All accounts of the participant will be combined for these purposes.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents and investments.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited during fiscal year 2022 amounted to \$5,259 for the General Fund, \$0 for the Scholarships Fund, and \$152,097 in Other Governmental Funds. The School District also reported decreases in the fair value of investments of \$104,221 in the General Fund and \$186,086 in the Scholarships Fund.

E. Capital Assets and Depreciation

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of \$5,000. The School District does not possess any infrastructure.

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The School District does not capitalize interest for capital asset purchases.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Capital Assets and Depreciation (continued)

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	10-25 years
Buildings and Improvements	20-50 years
Furniture and Equipment	5-15 years
Vehicles	3-15 years

F. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Interfund Receivables” and “Interfund Payables.” These amounts are eliminated in the governmental activities column of the statement of net position.

G. Compensated Absences

Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employee’s rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. The liability includes the employees who are currently eligible to receive severance benefits and those the School District has identified as probable of receiving payment in the future. The accrual amount is based upon accumulated sick leave and employees’ wage rates at year-end, taking into consideration any limits specified in the School District’s severance policy.

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

H. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, special termination benefits, and the net pension/OPEB liability (asset) that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year.

I. Fund Balance

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Fund Balance (continued)

Nonspendable The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” 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.

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

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

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

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

J. Estimates

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

K. Net Position

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Net Position (continued)

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

The government-wide statement of net position reports \$7,617,307 in restricted net position, none of which is restricted by enabling legislation.

L. Interfund Transactions

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

M. Pensions and Other Postemployment Benefits (OPEB)

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

N. 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. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is recorded in the year in which services are consumed.

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services to the various funds to cover the costs of the self insurance program. Operating expenses are necessary costs incurred to provide the goods and/or services that are the primary activities of the fund.

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE

At June 30, 2022, the Title I (Major Fund), SchoolNet, Pre-School, Early Childhood, Student Wellness, and Improving Teacher Quality funds had fund balance deficits of \$54,089, \$95, \$22,005, \$1,274, \$772, and \$25,621, which were created by the application of accounting principles generally accepted in the United States of America. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

The School District had appropriations which exceeded estimated revenue in the Permanent Improvement Fund, the Title I fund and the ESSER fund which is contrary to Ohio Revised Code 5705.39.

The School District had appropriations in excess of available resources in the Permanent Improvement Fund which is contrary to Ohio Revised Code 5705.36(A)(5). The School District had expenditures which exceeded appropriations in the General Fund, the ESSER Fund, the Title I Fund, and the Capital Projects Fund which is contrary to Ohio Revised Code 5705.41(b).

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
3. Encumbrances are treated as expenditures (budget basis) rather than as a restriction, commitment, or assignment of fund balance (GAAP basis); and
4. Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund, ESSER Fund, and the Title I Fund:

	Net Change in Fund Balance		
	General	ESSER	Title I
GAAP Basis	\$ (301,062)	\$ 105,367	\$ (3,794)
Revenue Accruals & Advances In	10,468,128	2,446,822	1,301,926
Expenditure Accruals & Advance Out	(10,703,777)	(1,681,368)	(1,195,373)
Perspective Difference:			
Activity of Funds Reclassified for			
GAAP Reporting Purposes	37,004	-	-
Encumbrances	(1,494,400)	(1,012,247)	(19,220)
Budget Basis	\$ (1,994,107)	\$ (141,426)	\$ 83,539

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

Interim 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.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

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

Deposits Custodial credit risk is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$8,570,552 of the School District's bank balance of \$15,740,257 was exposed to custodial credit risk because those deposits were uninsured and collateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

Investments At fiscal year end, the School District had the following investments and maturities:

	Carrying/Fair Value	Weighted Average Maturity (Years)		
		<1 Year	1-2 Years	2-5 Years
Negotiable Certificates of Deposit	\$ 3,459,086	\$ 1,432,698	\$ 1,183,462	\$ 842,926
Money Market Funds	2,197,076	2,197,076	-	-
Commercial Paper	4,472,125	4,472,125	-	-
STAROhio	2,234,647	2,234,647	-	-
Common Stocks	851,725	851,725	-	-
Total	\$ 13,214,659	\$ 11,188,271	\$ 1,183,462	\$ 842,926

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

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the School District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment to five years, unless matched to a specific obligation.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District limits their investments to stocks, Certificates of Deposit, STAROhio, and government agency securities. The common stock was not rated. Investments in negotiable certificates of deposit are insured by the FDIC up to \$250,000 per bank. STAROhio was rated AAAM by Standard & Poor's. Common stock and commercial paper ratings are not available. The School District's investment policy does not address credit risk beyond the requirements of the Ohio Revised Code.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. 6% of the School District's investments are in common stocks, 17% are in STAROhio, 26% are in negotiable certificates of deposit, 17% are in money market funds and the remaining 34% is in commercial paper. The School District investment policy allows for a maximum of 40% of interim funds to be invested in either, or a combined total of, certain commercial paper or certain bankers acceptances. There are no further restrictions on the amounts the School District may invest in a single issuer beyond the requirements of the Ohio Revised Code.

Custodial credit risk - Custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the School District's securities are either insured and registered in the name of the School District or at least registered in the name of the School District. The School District's investment policy does not address custodial credit risk beyond the requirements of the Ohio Revised Code.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Real property taxes received in calendar year 2022 were levied after April 1, 2021, on the assessed value listed as of January 1, 2021, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 21. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Public utility real and tangible personal property taxes received in calendar year 2022 became a lien on December 31, 2020, were levied after April 1, 2021, and are collected in 2022 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

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

	2021 Second- Half Collections		2022 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$192,827,630	91.88%	\$218,200,530	88.08%
Public Utility	17,049,490	8.12%	29,515,840	11.92%
Total Assessed Value	<u>\$209,877,120</u>	<u>100.00%</u>	<u>\$247,716,370</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$23.95		\$23.95	

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 - PROPERTY TAXES (continued)

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2022 and for which there is an enforceable legal claim.

Although total property tax collections for the next fiscal year are measurable, only the amounts available as an advance at June 30 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not levied to finance current year operations. The amount available as an advance is recognized as revenue.

The amount available as an advance at June 30, 2022, was \$353,510 in the General Fund.

NOTE 7 - CAPITAL ASSETS

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

	Ending Balance 6/30/2021	Additions	Deletions	Ending Balance 6/30/2022
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 280,114	\$ -	\$ -	\$ 280,114
Total Capital Assets, Not Being Depreciated	280,114	-	-	280,114
Capital Assets Being Depreciated				
Land Improvements	891,151	-	-	891,151
Buildings and Improvements	35,949,733	2,095,677	-	38,045,410
Furniture and Equipment	6,567,304	239,376	-	6,806,680
Vehicles	2,495,239	151,013	(153,054)	2,493,198
Total Capital Assets Being Depreciated	45,903,427	2,486,066	(153,054)	48,236,439
Less: Accumulated Depreciation:				
Land Improvements	(640,639)	(22,312)	-	(662,951)
Buildings and Improvements	(19,019,149)	(628,550)	-	(19,647,699)
Furniture and Equipment	(4,025,827)	(432,897)	-	(4,458,724)
Vehicles	(1,514,961)	(28,194)	106,515	(1,436,640)
Total Accumulated Depreciation	(25,200,576)	(1,111,953)	106,515	(26,206,014)
Total Capital Assets Being Depreciated, Net	20,702,851	1,374,113	(46,539)	22,030,425
Governmental Capital Assets, Net	\$ 20,982,965	\$ 1,374,113	\$ (46,539)	\$ 22,310,539

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 7 - CAPITAL ASSETS (continued)

Depreciation expense was charged to government functions as follows:

Instruction:	
Regular	\$649,788
Special	42
Vocational Instruction	3,232
Support Services:	
Administration	2,027
Fiscal	269
Pupil Transportation	128,707
Operation and Maintenance of Plant	266,642
Operation of Non-Instructional Services	13,111
Extracurricular Activities	48,135
Total Depreciation Expense	\$1,111,953

NOTE 8 - RECEIVABLES

Receivables at June 30, 2022, consisted of taxes, interest, interfund, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

Major Funds:	<u>Amount</u>
General	\$ 64,184
ESSER	717,874
Title I	97,706
Non-Major Funds:	
Title VI	24,103
Improving Teacher Quality	19,233
Title IV - rug Free Programs	3,906
Total Non-Major Funds	47,242
Total All Funds/Governmental Activities	\$ 927,006

NOTE 9 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2022, the School District contracted with Schools of Ohio Risk Sharity Authority (SORSA) for professional and general liability insurance, fleet insurance and property insurance. Coverages provided are as follows:

Building and Contents-replacement cost (\$2,500 deductible)	\$79,854,491
Crime Coverage	1,000,000
Automobile Liability	15,000,000
Uninsured Motorists	1,000,000
General Liability	
Per occurrence	15,000,000
General Aggregate	17,000,000

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 9 - RISK MANAGEMENT (continued)

The School District contracted with Medical Mutual to provide medical/surgical and prescription insurance coverage to its employees and their families. The School District self-insures employee excess costs not covered by Medical Mutual through a self-insurance internal service fund. The claims liability of \$19,099 reported in the Internal Service fund at June 30, 2022 is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claim costs, including estimates of cost relating to incurred but not reported claims, be reported.

Changes in claims activity for the past two fiscal years are as follows:

		<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2021	\$	22,742	\$ 119,140	\$ 120,021	\$ 21,861
2022		21,861	4,162,756	4,165,518	19,099

NOTE 10 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

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

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

The remainder of this note includes the required pension disclosures. See Note 11 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Plan Description - School Employees Retirement System (SERS) (continued)

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 0.5 percent COLA for calendar year 2021.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2022, 14.0% was designated to pension, death benefits, and Medicare B. There was no amount allocated to the Health Care Fund for fiscal year 2022.

The School District's contractually required contribution to SERS was \$499,992 for fiscal year 2022. Of this amount \$33,127 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 27 years of service, or 30 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until Aug. 1, 2026 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

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

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

The School District's contractually required contribution to STRS Ohio was \$1,452,264 for fiscal year 2022. Of this amount \$266,124 is reported as an intergovernmental payable.

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability - Current Year	0.1033573%	0.07929837%	
Proportionate Share of the Net Pension Liability - Prior Year	<u>0.0984378%</u>	<u>0.08011633%</u>	
Change in Proportionate Share	<u>0.0049195%</u>	<u>-0.00081796%</u>	
Proportion of the Net Pension Liability	\$3,813,585	\$10,139,010	\$13,952,595
Pension Expense (Gain)	\$83,944	(\$367,846)	(\$283,902)

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

Deferred Outflows of Resources	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Differences between expected and actual economic experience	\$368	\$313,247	\$313,615
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	203,823	64,328	268,151
Changes of assumptions	80,303	2,812,743	2,893,046
School District contributions subsequent to the measurement date	<u>499,992</u>	<u>1,452,264</u>	<u>1,952,256</u>
Total	<u>\$784,486</u>	<u>\$4,642,582</u>	<u>\$5,427,068</u>

Deferred Inflows of Resources	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Differences between expected and actual economic experience	\$98,902	\$63,551	\$162,453
Differences between projected and actual investment earnings	1,964,107	8,737,886	10,701,993
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	<u>0</u>	<u>(177,822)</u>	<u>(177,822)</u>
Total	<u>\$2,063,009</u>	<u>\$8,623,615</u>	<u>\$10,686,624</u>

\$1,952,256 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	(\$342,026)	(\$1,333,591)	(\$1,675,617)
2024	(366,634)	(1,150,222)	(1,516,856)
2025	(466,994)	(1,261,859)	(1,728,853)
2026	(602,861)	(1,687,625)	(2,290,486)
Total	(\$1,778,515)	(\$5,433,297)	(\$7,211,812)

Actuarial Assumptions - SERS

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

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

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions - SERS (continued)

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

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

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

The most recent experience study was completed for the five year period ended June 30, 2020.

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions - SERS (continued)

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

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

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

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
School District's proportionate share of the net pension liability	\$6,344,868	\$3,813,585	\$1,678,843

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions - STRS

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

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

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

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

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

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions – STRS (continued)

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$18,986,571	\$10,139,010	\$2,662,840

Changes Since the Prior Measurement Date - There were no changes in assumptions or benefit terms since the prior measurement date.

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

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2022, one of the School District’s members of the Board of Education has elected Social Security. The contribution rate is 6.2 percent of wages.

NOTE 11 - DEFINED BENEFIT OPEB PLANS

See Note 10 for a description of the net OPEB liability (asset).

School Employees Retirement System

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS’ Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 - DEFINED BENEFIT OPEB PLANS (continued)

School Employees Retirement System (continued)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2022, no allocation of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2022, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2022, the School District's surcharge obligation was \$65,832.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$65,832 for fiscal year 2022.

State Teachers Retirement System

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2022, STRS did not allocate any employer contributions to post-employment health care.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 - DEFINED BENEFIT OPEB PLANS (continued)

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

The net OPEB (asset) liability was measured as of June 30, 2021, and the total OPEB (asset) liability used to calculate the net OPEB (asset) liability was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB (asset) liability was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset) - Current Year	0.10629680%	0.07929837%	
Proportionate Share of the Net OPEB Liability (Asset) - Prior Year	<u>0.10073380%</u>	<u>0.08011633%</u>	
Change in Proportionate Share	<u>0.00556300%</u>	<u>-0.00081796%</u>	
Proportion Share of the Net OPEB Liability	\$2,011,754	\$0	\$2,011,754
Proportion Share of the Net OPEB (Asset)	\$0	(\$1,671,941)	(\$1,671,941)
OPEB Expense (Gain)	\$27,129	(\$104,349)	(\$77,220)

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

Deferred Outflows of Resources	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Differences between expected and actual economic experience	\$21,444	\$59,532	\$80,976
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	244,313	34,038	278,351
Changes of assumptions	315,596	106,797	422,393
School District contributions subsequent to the measurement date	65,832	-	65,832
Total	<u>\$647,185</u>	<u>\$200,367</u>	<u>\$847,552</u>
Deferred Inflows of Resources	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Differences between expected and actual economic experience	\$1,001,944	\$306,329	\$1,308,273
Differences between projected and actual investment earnings	43,706	463,433	507,139
Changes of assumptions	275,493	997,435	1,272,928
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	-	(411)	(411)
Total	<u>\$1,321,143</u>	<u>\$1,766,786</u>	<u>\$3,087,929</u>

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

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

\$65,832 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (adjustment to net OPEB asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	(\$172,190)	(\$443,257)	(\$615,447)
2024	(172,496)	(431,659)	(604,155)
2025	(176,385)	(433,172)	(609,557)
2026	(148,782)	(194,193)	(342,975)
2027	(59,750)	(65,731)	(125,481)
Thereafter	(10,187)	1,593	(8,594)
Total	(\$739,790)	(\$1,566,419)	(\$2,306,209)

Actuarial Assumptions - SERS

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

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

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

Actuarial Assumptions – SERS (continued)

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

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

For 2020, mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2020.

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

Actuarial Assumptions – SERS (continued)

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

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

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

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

	<u>1% Decrease (1.27%)</u>	<u>Current Discount Rate (2.27%)</u>	<u>1% Increase (3.27%)</u>
School District's proportionate share of the net OPEB liability	\$2,492,807	\$2,011,754	\$1,627,455

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

Actuarial Assumptions – SERS (continued)

The following table presents the OPEB liability of SERS, what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower and higher than the current rate.

	1% Decrease in Trend Rates	Current Trend Rate	1% Increase in Trend Rates
School District's proportionate share of the net OPEB liability	\$1,548,886	\$2,011,754	\$2,630,004

Actuarial Assumptions - STRS

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

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

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

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

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

Actuarial Assumptions – STRS (continued)

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

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

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

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

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

Actuarial Assumptions – STRS (continued)

	1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
School District's proportionate share of the net OPEB (asset) liability	(\$1,410,860)	(\$1,671,941)	(\$1,890,036)
	1% Decrease in Trend Rates	Current Trend Rate	1% Increase in Trend Rates
School District's proportionate share of the net OPEB (asset) liability	(\$1,881,198)	(\$1,671,941)	(\$1,230,688)

Assumption Changes Since the Prior Measurement Date - There were no changes in assumptions since the prior measurement date of June 30, 2021.

Benefit Term Changes Since the Prior Measurement Date There was no change to the claims costs process. Claim curves were updated to reflect the projected FYE 2021 premium based on June 30, 2021 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2022 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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

NOTE 12 - EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 30 days for all personnel.

B. Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through AIG.

C. Deferred Compensation

School District employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 13 - LONG-TERM LIABILITIES

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

	Principal Outstanding 6/30/2021	Additions	Deletions	Principal Outstanding 6/30/2022	Due in One Year
Net Pension Liability:					
STRS	\$ 19,385,301	\$ -	\$ 9,246,291	\$ 10,139,010	\$ -
SERS	6,510,883	-	2,697,298	3,813,585	-
Total Net Pension Liability	<u>25,896,184</u>	<u>-</u>	<u>11,943,589</u>	<u>13,952,595</u>	<u>-</u>
Net OPEB Liability:					
STRS	-	-	-	-	*
SERS	2,189,275	-	177,521	2,011,754	-
Total Net OPEB Liability	<u>2,189,275</u>	<u>-</u>	<u>177,521</u>	<u>2,011,754</u>	<u>-</u>
Compensated Absences	<u>1,822,974</u>	<u>1,522,013</u>	<u>1,466,054</u>	<u>1,878,933</u>	<u>50,195</u>
Total Long-Term Liabilities	<u><u>\$ 29,908,433</u></u>	<u><u>\$ 1,522,013</u></u>	<u><u>\$ 13,587,164</u></u>	<u><u>\$ 17,843,282</u></u>	<u><u>\$ 50,195</u></u>

*STRS has a Net OPEB asset reported on the Statement of Net Position in the amount of \$1,671,941.

Compensated absences will be paid from the fund from which the employees' salaries are paid, with the General Fund being the most significant fund. The School District pays obligations related to employee compensation from the fund benefitting from their service. The School District's overall legal debt margin was \$21,445,769 with an unvoted debt margin of \$238,286 at June 30, 2022.

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Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 14 - INTERFUND ACTIVITY

Interfund Payables/Receivables

As of June 30, 2022, receivables and payables that resulted from various interfund transactions were as follows:

	Interfund Receivable	Interfund Payable
Major Funds:		
General Fund	\$ 7,515,562	\$ -
Capital Projects	-	5,230,796
ESSER		1,318,432
Title I	-	292,903
Non-Major Funds:		
Permanent Improvement	-	329,918
Student Wellness	-	771
District Managed Activities	-	5,063
Student Managed Activities		7,676
Public Preschool	-	96,536
School Net	-	95
Career Development	-	6,092
Federal Programs	-	2,830
Improving Teacher Quality	-	74,129
Title VI B	-	84,781
IDEA Preschool	-	25,793
Miscellaneous State Grants	-	15,000
Drug Free Programs	-	24,747
Total Non-Major Funds	-	673,431
Totals	\$ 7,515,562	\$ 7,515,562

During the year, the School District's General fund made advances to other funds in anticipation of intergovernmental grant revenue and for future cash flow needs of such funds.

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Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 14 - INTERFUND ACTIVITY (continued)

Interfund Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

As of June 30, 2022 transfers that resulted from various interfund transactions were as follows:

	Transfer From	Transfer To
Major Fund:		
General Fund	\$ 403,303	\$ -
Non-Major Special Revenue Funds:		
District Managed Activities	-	354,965
Student Activities	-	812
Title VI	-	47,526
Total Non-Major Funds	-	403,303
Total All Funds	\$ 403,303	\$ 403,303

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Educational Technology Association - META is an educational solutions partner providing services across Ohio. META provides cost-effective fiscal, network, technology and student services, a purchasing cooperative, and other individual services based on each client's needs.

The governing board of META consists of a president, vice president and six board members who represent the members of META. The board works with META's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to its representation on the Board. The School District paid META \$149,981 for services provided during the fiscal year. Financial information can be obtained from Ashley Widby, who serves as Chief Financial Officer, at 100 Executive Drive, Marion, Ohio 43302.

Great Oaks Institute of Technology - The Great Oaks Institute of Technology is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating school districts elected boards, which possesses its own budgetary and taxing authority. To obtain financial information write to the Great Oaks Institute of Technology, at 3254 East Kemper Road, Cincinnati, Ohio 45241-1581.

NOTE 16- CLAIMS SERVICING POOL

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

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 16- CLAIMS SERVICING POOL (continued)

Participants pay a \$500 membership fee to OSBC. OSBC offers two options to participants. Participants may enroll in the joint insurance purchasing program for medical, prescription drug, vision, dental, and/or life insurance. A second option is available for self-insured participants that provides for the purchase of stop loss insurance coverage through OSBC’s third party administrator. Medical Mutual/Antares is the Administrator of the OSBC. During fiscal year 2022, the School District elected to participate in the joint insurance purchasing program for medical, prescription drug, dental and vision coverage.

Accordingly, the Ohio School Benefits Cooperative is not part of the School District and its operations are not included as part of the reporting entity. To obtain financial information, write to the Muskingum Valley Educational Service Center, Christine Wagner, who serves as Treasurer, at 205 North 7th Street, Zanesville, Ohio 43701.

NOTE 17 - SET-ASIDE CALCULATIONS AND FUND RESERVES

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

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

	Capital Acquisition
Set-Aside Balance as of June 30, 2021	\$ -
Current Year Set-Aside Requirement	320,675
Current Year Qualifying Expenditures	(320,675)
Set-Aside Reserve Balance Carried Forward to Future Fiscal Years	-
Set-Aside Balance as of June 30, 2022	\$ -

The School District had offsets during the year that reduced the set-aside amount below zero in the Capital Acquisition Reserves. The carryover amount in the Capital Acquisition Reserve is limited to the balance of the offsets attributed to bond or tax levy proceeds. The School District is responsible for tracking the amount of the bond proceeds that may be used as an offset in future periods, which was \$382,155 at June 30, 2022.

NOTE 18 - CONTINGENCIES

A. Grants

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

B. Litigation

The School District is not party to any legal proceedings.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 18 – CONTINGENCIES (continued)

C. Foundation

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school districts, which can extend past the fiscal year end. ODE has finalized the impact of enrollment adjustments to the June 30, 2022 Foundation funding for the School District and does not anticipate any further FTE adjustments for FY2022.

NOTE 19 – INCOME TAX

The School District levies a voted tax of one and one-quarter percent for general operations on the income of residents and of estates. The School District passed a one and one-quarter percent earned income tax effective January 1, 2009 and it is on a continuous basis. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

NOTE 20 – COMMITMENTS

Encumbrances

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

<u>Fund</u>	<u>Amount</u>
Major Funds:	
General	\$1,494,400
Capital Projects	173,594
ESSER	1,012,247
Title 1	19,220
Non-Major Capital Project Fund:	
Permanent Improvement	616,448
Total Encumbrances	<u><u>\$ 3,315,909</u></u>

Contractual Commitments

At June 30, 2022, the School District had the following significant contractual commitments:

<u>Vendor</u>	<u>Contract Amount</u>	<u>Expenditures</u>	<u>Remaining Balance</u>
WAI Construction Group, LLC	\$1,427,800	\$1,246,135	\$181,665
McCarty Associates	161,612	17,500	144,112

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 21 – FUND BALANCES

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

Fund Balances	General	Capital Projects	Scholarship	ESSER	Title I	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable							
Prepays	\$ 202,176	\$ -	\$ -	\$ -	\$ -	\$ 9,592	\$ 211,768
Permanent Principal	-	-	3,799,230	-	-	-	3,799,230
	<u>202,176</u>	<u>-</u>	<u>3,799,230</u>	<u>-</u>	<u>-</u>	<u>9,592</u>	<u>4,010,998</u>
Restricted for							
Food Service Operations	-	-	-	-	-	587,992	587,992
Maintenance	-	-	-	-	-	490,505	490,505
Other Purposes District Managed	-	-	-	-	-	668,875	668,875
Activities	-	-	-	-	-	218,250	218,250
Student Activities	-	-	-	-	-	252,738	252,738
Debt Service Payments	-	-	-	-	-	915,436	915,436
Total Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,133,796</u>	<u>3,133,796</u>
Committed to							
Other Purposes	15,000	-	-	-	-	-	15,000
Termination Benefits	250,000	-	-	-	-	-	250,000
Total Committed	<u>265,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,000</u>
Assigned to							
Capital Outlay	-	695,811	-	-	-	272,769	968,580
Other Purposes	1,105,777	-	-	-	-	-	1,105,777
Total Assigned	<u>1,105,777</u>	<u>695,811</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272,769</u>	<u>2,074,357</u>
Unassigned (Deficit)	<u>13,454,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,089)</u>	<u>(49,767)</u>	<u>13,350,233</u>
Total Fund Balances	<u>\$ 15,027,042</u>	<u>\$ 695,811</u>	<u>\$ 3,799,230</u>	<u>\$ -</u>	<u>\$ (54,089)</u>	<u>\$ 3,366,390</u>	<u>\$ 22,834,384</u>

NOTE 22 – COVID-19

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

The investments of the pension and other employee benefit plan in which the District participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined.

Greenfield Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 23 – NEW ACCOUNTING PRINCIPLES

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

GASB Statement No. 87 and GASB Implementation Guide 2019-3 enhance the relevance and consistency of information of the government’s leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The implementation of GASB Statement No. 87 and GASB Implementation Guide 2019-3 did not have an effect on the financial statements of the District.

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

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

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

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

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

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
Last Nine Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School District's proportion of the net pension liability	0.1033573%	0.0984378%	0.0954407%	0.0951858%	0.0925248%	0.0931199%	0.0900596%	0.0841600%	0.0841600%
School District's proportionate share of the net pension liability	\$ 3,813,585	\$ 6,510,883	\$ 5,710,384	\$ 5,451,467	\$ 5,528,152	\$ 6,815,517	\$ 5,138,888	\$ 4,259,290	\$ 5,004,725
School District's covered payroll	\$ 3,434,057	\$ 3,302,057	\$ 3,175,074	\$ 3,052,504	\$ 2,963,657	\$ 2,779,493	\$ 2,711,184	\$ 2,445,519	\$ 2,714,386
School District's proportionate share of the net pension liability as a percentage of its covered payroll	111.05%	197.18%	179.85%	178.59%	186.53%	245.21%	189.54%	174.17%	184.38%
Plan fiduciary net position as a percentage of the total pension liability	82.86%	68.55%	70.85%	71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

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

See notes to accompanying required supplementary information.

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Nne Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School District's proportion of the net pension liability	0.07929837%	0.08011633%	0.08001160%	0.07996836%	0.07907064%	0.07793438%	0.07773338%	0.07484572%	0.07484572%
School District's proportionate share of the net pension liability	\$ 10,139,010	\$ 19,385,301	\$ 17,694,085	\$ 17,583,247	\$ 18,783,400	\$ 26,086,986	\$ 21,483,233	\$ 18,205,069	\$ 21,685,760
School District's covered payroll	\$ 9,704,143	\$ 9,884,057	\$ 9,729,429	\$ 9,096,000	\$ 8,617,286	\$ 8,175,086	\$ 8,110,179	\$ 7,647,400	\$ 8,323,254
School District's proportionate share of the net pension liability as a percentage of its covered payroll	104.48%	196.13%	181.86%	193.31%	217.97%	319.10%	264.89%	238.06%	260.54%
Plan fiduciary net position as a percentage of the total pension liability	87.78%	75.48%	77.40%	77.31%	75.29%	66.80%	72.09%	74.71%	69.30%

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

See notes to accompanying required supplementary information.

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of School District Pension Contributions
School Employees Retirement System of Ohio
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 499,992	\$ 480,768	\$ 462,288	\$ 428,635	\$ 412,088	\$ 414,912	\$ 389,129	\$ 357,334	\$ 338,949	\$ 375,671
Contributions in relation to the contractually required contribution	<u>(499,992)</u>	<u>(480,768)</u>	<u>(462,288)</u>	<u>(428,635)</u>	<u>(412,088)</u>	<u>(414,912)</u>	<u>(389,129)</u>	<u>(357,334)</u>	<u>(338,949)</u>	<u>(375,671)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 3,571,371	\$ 3,434,057	\$ 3,302,057	\$ 3,175,074	\$ 3,052,504	\$ 2,963,657	\$ 2,779,493	\$ 2,711,184	\$ 2,445,519	\$ 2,714,386
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.50%	13.50%	14.00%	14.00%	13.18%	13.86%	13.84%

See notes to accompanying required supplementary information

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of School District Pension Contributions
State Teachers Retirement System of Ohio
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 1,452,264	\$ 1,358,580	\$ 1,383,768	\$ 1,362,120	\$ 1,273,440	\$ 1,206,420	\$ 1,144,512	\$ 1,135,425	\$ 994,162	\$ 1,082,023
Contributions in relation to the contractually required contribution	<u>(1,452,264)</u>	<u>(1,358,580)</u>	<u>(1,383,768)</u>	<u>(1,362,120)</u>	<u>(1,273,440)</u>	<u>(1,206,420)</u>	<u>(1,144,512)</u>	<u>(1,135,425)</u>	<u>(994,162)</u>	<u>(1,082,023)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 10,373,314	\$ 9,704,143	\$ 9,884,057	\$ 9,729,429	\$ 9,096,000	\$ 8,617,286	\$ 8,175,086	\$ 8,110,179	\$ 7,647,400	\$ 8,323,254
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	13.00%

See notes to accompanying required supplementary information.

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
Last Six Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's proportion of the net OPEB liability	0.1062968%	0.1007338%	0.0977161%	0.0962026%	0.0938350%	0.0941393%
School District's proportionate share of the net OPEB liability	\$ 2,011,754	\$ 2,189,275	\$ 2,457,354	\$ 2,668,920	\$ 2,518,285	\$ 2,683,319
School District's covered payroll	\$ 3,434,057	\$ 3,302,057	\$ 3,175,074	\$ 3,052,504	\$ 2,963,657	\$ 2,779,493
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	58.58%	66.30%	77.40%	87.43%	84.97%	96.54%
Plan fiduciary net position as a percentage of the total OPEB liability	24.08%	18.17%	15.57%	13.57%	12.46%	11.49%

(1) Information prior to 2017 is not available.
Amounts presented as of the School District's measurement date which is the prior fiscal year.

See notes to accompanying required supplementary information.

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Six Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's proportion of the net OPEB liability (asset)	0.07929837%	0.08011633%	0.08001160%	0.07996836%	0.07907064%	0.07793438%
School District's proportionate share of the net OPEB liability (asset)	\$ (1,671,941)	\$ (1,408,043)	\$ (1,325,184)	\$ (1,285,010)	\$ 3,085,045	\$ 4,167,951
School District's covered payroll	\$ 9,704,143	\$ 9,884,057	\$ 9,729,429	\$ 9,096,000	\$ 8,617,286	\$ 8,175,086
School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-17.23%	-14.25%	-13.62%	-14.13%	35.80%	50.98%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	174.73%	182.13%	174.74%	176.00%	47.11%	37.33%

(1) Information prior to 2017 is not available.
Amounts presented as of the School District's measurement date which is the prior fiscal year.

See notes to accompanying required supplementary information.

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of School District OPEB Contributions
School Employees Retirement System of Ohio
Last Seven Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 65,832	\$ 67,002	\$ 58,021	\$ 75,081	\$ 66,138	\$ 50,882	\$ 46,659
Contributions in relation to the contractually required contribution (2)	<u>(65,832)</u>	<u>(67,002)</u>	<u>(58,021)</u>	<u>(75,081)</u>	<u>(66,138)</u>	<u>(50,882)</u>	<u>(46,659)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 3,571,371	\$ 3,434,057	\$3,302,057	\$3,175,074	\$3,052,504	\$2,963,657	\$2,779,493
Contributions as a percentage of covered employee payroll	1.84%	1.95%	1.76%	2.36%	2.17%	1.72%	1.68%

(1) Information prior to 2016 is not available.

(2) Includes Surcharge.

See notes to accompanying required supplementary information.

Greenfield Exempted Village School District
Required Supplementary Information
Schedule of School District OPEB Contributions
State Teachers Retirement System of Ohio
Last Seven Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 10,373,314	\$ 9,704,143	\$ 9,884,057	\$ 9,729,429	\$ 9,096,000	\$ 8,617,286	\$ 8,175,086
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Information prior to 2016 is not available.

See notes to accompanying required supplementary information.

Greenfield Exempted Village School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

Pension

School Employees Retirement System (SERS)

Changes in benefit terms

2022: The cost of living adjustment was changed from 2.5 percent to 2.0 percent.

2020-2021: There were no changes in benefit terms from the amounts reported for this fiscal year.

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

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

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

Changes in assumptions

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

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

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

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

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

State Teachers Retirement System (STRS)

Changes in benefit terms

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

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

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

Greenfield Exempted Village School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

Pension (continued)

State Teachers Retirement System (STRS) (continued)

Changes in assumptions

2022: The long term expected rate of return was reduced from 7.45% to 7.00%.

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

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

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

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

OPEB

School Employees Retirement System (SERS)

Changes in benefit terms

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

Changes in assumptions

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

- (1) The discount rate was changed from 2.63% to 2.27%
- (2) Municipal Bond Index Rate:

Prior Measurement Date	2.45%
Measurement Date	1.92%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	2.63%
Measurement Date	2.27%
- (4) The inflation assumption was lowered from 3.00% to 2.40%,
- (5) The payroll growth assumption was increased to from 3.25% to 13.58%,
- (6) The long term expected rate of return was reduced from 7.50% to 7.00%, and
- (7) The mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table.

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

- (1) The discount rate was changed from 3.22% to 2.63%

Greenfield Exempted Village School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

OPEB (continued)

School Employees Retirement System (SERS) (continued)

Changes in assumptions (continued)

- (2) Municipal Bond Index Rate:
 - Prior Measurement Date 3.13%
 - Measurement Date 2.45%

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

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

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

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

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

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

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

State Teachers Retirement System (STRS)

Changes in benefit terms

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

Greenfield Exempted Village School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

OPEB (continued)

State Teachers Retirement System (STRS) (Continued)

Changes in benefit terms (continued)

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

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

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

2018: The subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2019.

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

Changes in assumptions

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

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

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

2018: The discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

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

Greenfield Exempted Village School District
Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass Through Grantor/Program Title	Pass Through Entity Number	Federal Assistance Listing Number	Federal Expenditures
<u>United States Department of Agriculture</u>			
<i>Passed through the Ohio Department of Education</i>			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	N/A	10.555	\$61,836
Cash Assistance:			
School Breakfast Program	N/A	10.553	409,409
COVID-19 National School Lunch Program	N/A	10.555	41,654
National School Lunch Program	N/A	10.555	624,561
Total Child Nutrition Cluster			1,137,460
COVID-19 Pandemic EBT Administrative Costs	N/A	10.649	3,063
Total United States Department of Agriculture			1,140,523
<u>United States Department of Education</u>			
<i>Passed through the Ohio Department of Education</i>			
Special Education Cluster:			
Special Education-Grants to States-2021	N/A	84.027A	15,872
Special Education-Grants to States-2022	N/A	84.027A	429,556
COVID-19 Special Education Grants to States	N/A	84.027X	98,165
Special Education-Preschool Grants-2021	N/A	84.173A	1,376
Special Education-Preschool Grants-2022	N/A	84.173A	11,079
COVID-19 Special Education-Preschool Grants	N/A	84.173X	7,252
Total Special Education Cluster			563,300
Title I Grants to Local Educational Agencies-2021	N/A	84.010A	20,755
Title I Grants to Local Educational Agencies-2022	N/A	84.010A	789,280
Title I Grants to Local Educational Agencies-School Improvement Grant	N/A	84.010A	98,939
Title I Grants to Local Educational Agencies-Expanding Opportunities Grant	N/A	84.010A	44,052
Total Title I			953,026
Rural Education	N/A	84.358B	50,063
Total Rural Education			50,063
Supporting Effective Instruction State Grants-2021	N/A	84.367A	7,993
Supporting Effective Instruction State Grants-2022	N/A	84.367A	99,099
Total Supporting Effective Instruction State Grants			107,092
Student Support and Academic Enrichment Program-2021	N/A	84.424A	1,593
Student Support and Academic Enrichment Program-2022	N/A	84.424A	57,760
Total Student Support and Academic Enrichment Program			59,353
COVID-19 Education Stabilization Fund - ESSER I	N/A	84.425D	2,494
COVID-19 Education Stabilization Fund - ESSER II	N/A	84.425D	1,317,844
COVID-19 Education Stabilization Fund-ESSER ARP	N/A	84.425U	23,861
COVID-19 Education Stabilization Fund-ESSER ARP Homeless Children and Youth	N/A	84.425W	15,509
Total COVID-19 Education Stabilization Fund			1,359,708
Total United States Department of Education			3,092,542
Total Federal Financial Assistance			\$4,233,065

N/A - pass through entity number not available.

The notes to the schedule of federal awards expenditures are an integral part of this schedule.

Greenfield Exempted Village School District
Notes to the Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2022

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D – CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board of Education
Greenfield Exempted Village School District
200 North Fifth Street
Greenfield, Ohio 45123

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Greenfield Exempted Village School District, Highland County, Ohio (the School District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 10, 2024, wherein we noted the financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the School District.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies in internal control we consider to be material weaknesses and a significant deficiency.

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 School District's financial statements will not be prevented, or detected and corrected on a timely basis. We consider deficiencies described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 to be material weaknesses.

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.

We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-006 to be a significant deficiency.

Report on Compliance and Other Matters

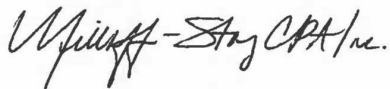
As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-003 through 2022-005.

The School District's Response to Findings

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

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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Millhuff-Stang, CPA, Inc.
Chillicothe, Ohio

January 10, 2024

**Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance
Required by the Uniform Guidance**

Independent Auditor's Report

Board of Education
Greenfield Exempted Village School District
200 North Fifth Street
Greenfield, Ohio 45123

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the compliance of Greenfield Exempted Village School District, Highland County, Ohio (the School District) with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Assistance Listing (AL) No. 84.425 Education Stabilization Fund

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the AL No. 84.425 Education Stabilization Fund for the year ended June 30, 2022.

Unmodified Opinion on the Other Major Federal Program

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its other major federal program identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

Basis for Qualified and Unmodified Opinions

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 School 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 qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on the Assistance Listing (AL) No. 84.425 Education Stabilization Fund

As described in the accompanying schedule of findings and questioned costs, the School District did not comply with requirements regarding Assistance Listing No. 84.425 Education Stabilization Fund as described in finding number 2022-007 for Special Tests and Provisions – Wage Rate Requirements.

Compliance with such requirements is necessary, in our opinion, for the School District to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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 School 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 School 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 School District's compliance with the requirements of each 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 School 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 School 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 School 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.

Other Matters

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

Report on Internal Control Over Compliance

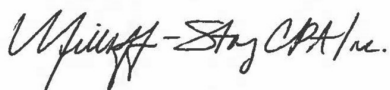
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-007 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Millhuff-Stang, CPA, Inc.
Chillicothe, Ohio

January 10, 2024

Greenfield Exempted Village School District
Schedule of Findings and Questioned Costs
2 CFR Section 200.515
For the Fiscal Year Ended June 30, 2022

Section I – Summary of Auditor’s Results

<i>Financial Statements</i>	
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified?	Yes
Noncompliance material to financial statements noted?	Yes
<i>Federal Awards</i>	
Internal control over major program(s):	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major federal programs:	Qualified AL #84.425 Education Stabilization Funds, Unmodified AL #84.010 Title I Grants to Local Educational Agencies
Any auditing findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major program(s):	Title I Grants to Local Educational Agencies (AL #84.010A), COVID-19 Education Stabilization Fund (AL #84.425D, 84.425U, 84.425W)
Dollar threshold used to distinguish between type A and type B programs:	Type A > \$750,000 Type B – all others
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

Finding 2022-001 – Material Weakness – Financial Reporting and SEFA presentation

A monitoring system by the School District should be in place to prevent or detect misstatements for the accurate presentation of the financial statements and schedule of federal awards expenditures.

We identified various errors in the financial statements, including the following:

- Overstated unavailable revenue related to taxes receivable.
- Overstated unavailable revenue related to intergovernmental receivables.
- Understated expenses in the General fund and overstated expenses in the internal service fund related to the School District’s self-insurance program.
- Errors in the calculation of net pension liability, pension expense, and related deferrals.
- Errors were also noted in the Budget to Actual statements.

In addition, we noted various errors in presentation of note disclosures.

Lastly, the schedule of federal awards expenditures contained various errors, including typos in amounts disclosed, footing errors, use of authorized commodities value as opposed to distribution of actual amounts, and incorrect pass-through entity numbers presented.

Greenfield Exempted Village School District
Schedule of Findings and Questioned Costs
2 CFR Section 200.515
For the Fiscal Year Ended June 30, 2022

Finding 2022-001 – Material Weakness – Financial Reporting and SEFA presentation (Continued)

Certain errors were deemed material and corrected within the accompanying statements, notes, and schedules. Other errors were deemed immaterial by both the auditor and management and therefore correction was waived. The

School District should implement procedures to ensure the financial statements, schedule of federal awards expenditures, and disclosures are fairly presented.

Client response:

See accompanying corrective action plan.

Finding 2022-002 – Material Weakness – Budgetary Information Within the Accounting System

Accurate budgetary information within the School District’s accounting system is pertinent to ensure that the School District has accurate and complete information for decision-making processes. Amendments to the budget should be properly documented in the minute record to provide assurance that changes to appropriations are authorized by the governing board. Budgetary information entered into the accounting system did not match amounts per budgetary filings received from the County Auditor. We noted variances between final appropriations and the School District’s accounting system in all funds sampled. Additionally, we noted variances between the final estimated resources and the School District’s accounting system in the General fund, Capital Projects fund, and Title I fund. The School District should implement the appropriate procedures to ensure that all authorized budgetary amendments are properly recorded in the accounting system.

Client response:

See accompanying corrective action plan.

Finding 2022-003 – Noncompliance – Expenditures in Excess of Appropriations

Ohio Revised Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated. The School District had expenditures in excess of appropriations in the General fund of \$1,588,793, the Capital Projects fund of \$21,000, the Education Stabilization fund of \$814,864, and the Title I fund of \$26,584. The School District should monitor financial activity to ensure their expenditures do not exceed the amount appropriated.

Client response:

See accompanying corrective action plan.

Finding 2022-004 – Noncompliance – Appropriations in Excess of Estimated Resources

Ohio Revised Code Section 5705.39 states that total appropriations from each fund shall not exceed the total estimated resources. The School District had appropriations in excess of estimated resources in the Permanent Improvement fund of \$1,852,910. Additionally, although corrected by year-end, original budgets reflected appropriations in excess of estimated resources of \$879,795 in the Title I fund and \$363,569 in the Education Stabilization fund. The School District should implement the appropriate procedures, such as periodic comparisons of estimated resources to appropriations, to ensure that appropriations are limited to estimated resources to ensure improper spending does not occur.

Client response:

See accompanying corrective action plan.

Greenfield Exempted Village School District
Schedule of Findings and Questioned Costs
2 CFR Section 200.515
For the Fiscal Year Ended June 30, 2022

Finding 2022-005 – Noncompliance – Certification of Available Revenue

Ohio Revised Code Section 5705.36(A)(5) states, in part, that the total appropriations made during the fiscal year from any fund shall not exceed the amount set forth as available for expenditure from such fund in the official certificate of estimated resources, or any amendment thereof, certified prior to the making of the appropriation or supplemental appropriation. The School District had total appropriations in excess of the amount set forth as available for expenditure in the Permanent Improvement fund of \$2,166,644. The School District should implement the appropriate procedures, such as periodic comparisons of available revenue to total appropriations, to ensure that appropriations are limited to available resources to ensure improper spending does not occur.

Client response:

See accompanying corrective action plan.

Finding 2022-006 – Significant Deficiency - Maintenance of Supporting Documentation for Lunchroom Collections

Having a sound internal control framework is pertinent to a properly functioning organization. A pertinent element of a properly functioning internal control system is performance of reconciling procedures between records of cash collections and actual cash within cash drawers and maintenance of documentation evidencing those procedures. During testing in fiscal year 2021, we determined that the School District’s established procedure is to reconcile cash collections to sales documented for each day and to maintain such documentation for audit. However, we found that for one of the buildings within the School District, the supporting documentation was not always maintained. In our attempts to follow up on this deficiency in fiscal year 2022, the School District could not provide requested supporting documentation. The School District should implement procedures to ensure that documentation evidencing performance of established internal controls is properly maintained.

Client response:

See accompanying corrective action plan.

Section III – Federal Award Findings and Questioned Costs
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ALN Title and Number	COVID-19 Education Stabilization Fund, AL #84.425D, 84.425U, 84.425W		
Federal Award Number and Year	2021-2022		
Federal Agency	United States Department of Education		
Pass-Through Entity	Ohio Department of Education		
Repeat Finding from Prior Audit?	No	Finding Number (if repeat)	N/A

Finding 2022-007 – Noncompliance/Material Weakness – Special Tests and Provisions – Wage Rate Requirements

2 CFR Section 3474 gives regulatory effect to the Department of Education for Appendix II to 2 CFR Section 200 which states that, in addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable:

Greenfield Exempted Village School District
Schedule of Findings and Questioned Costs
2 CFR Section 200.515
For the Fiscal Year Ended June 30, 2022

Finding 2022-007 – Noncompliance/Material Weakness – Special Tests and Provisions – Wage Rate Requirements (Continued)

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”).

In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

29 CFR Section 5.5(a)(3)(ii)(A) states, in part, that a contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution shall require a clause that the contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the appropriate agency if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the agency.

29 CFR Section 5.6 further states, in part, agencies which do not directly enter into such contracts shall promulgate the necessary regulations or procedures to require the recipient of the Federal assistance to insert in its contracts the provisions of Section 5.5. No payment, advance, grant, loan, or guarantee of funds shall be approved by the Federal agency unless the agency ensures that the clauses required by Section 5.5 and the appropriate wage determination of the Secretary of Labor are contained in such contracts.

Sound accounting practices require public officials to design and operate a system of internal control that is adequate to provide reasonable assurance over the reliability of federal information provided for federal reimbursement. In 2022, the School District undertook two projects that were subject to prevailing wage requirements. Education Stabilization Funds were utilized for these project costs. For one project, the contract documents provided for us to inspect did not include the required wage rate clauses. For the other project, the School District did not enter into a formal contract with the contractor. Evidence was provided for both projects that certified payrolls were received by the School District.

Without proper controls over wage rate requirements, there is an increased risk that the School District and its contractors and subcontractors are not in compliance with applicable federal regulations. Additionally, noncompliance could result in federal funding being reduced or taken away, or other sanctions imposed by the federal grantor agency.

Greenfield Exempted Village School District

Schedule of Findings and Questioned Costs

2 CFR Section 200.515

For the Fiscal Year Ended June 30, 2022

Finding 2022-007 – Noncompliance/Material Weakness – Special Tests and Provisions – Wage Rate Requirements (Continued)

The School District should establish (or perform existing) controls to include the required clauses of 29 CFR 5.5, particularly those concerning prevailing wage rates and the requirement that the contract shall contain required prevailing wage clauses and the contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to (or for transmission to, where applicable) the School District, in its construction contracts (and subcontracts) greater than \$2,000 that are covered by the wage rate requirements and take steps to ensure contractors (and subcontractors, if applicable) are in compliance with all labor standards by collecting the required certified payroll documentation in a timely manner. The School District should obtain the necessary information from the contractor to document compliance with the program requirements and report all suspected or reported violations to the Federal awarding agency. Further, the School District should implement procedures to ensure that copies of executed contracts are maintained to support compliance of wage rate requirements.

Client Response:

See accompanying corrective action plan.

Greenfield Exempted Village School District

200 North Fifth Street ▪ Greenfield, Ohio 45123
Telephone 937-981-2152 Fax 937-981-4395

Board of Education

***Eric Zint, President-Marilyn Mitchell-Vice President
Eric Wise, Sandy Free, Rachel Fraley, Members***

Greenfield Exempted Village School District

Corrective Action Plan

2 CFR Section 200.511(c)

For the Fiscal Year Ended June 30, 2022

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2022-001	Noted – will work with GAAP compiler.	February 27, 2024	Joe Smith, Treasurer
2022-002	We had Board meeting in June 2022. Payroll occurred on June 30 th and other expenditures.	February 27, 2024	Joe Smith, Treasurer
2022-003	New accounting system to learn. Timing of Board meeting will have to be through all of June to capture complete data.	February 27, 2024	Joe Smith, Treasurer
2022-004	We had Board meeting in June 2022. Activity after the Board meeting was not in budgetary document filed with County Auditor.	February 27, 2024	Joe Smith, Treasurer
2022-005	We will have to have the Board meeting later in June to capture all activity.	February 27, 2024	Joe Smith, Treasurer
2022-006	We have a new Food Service Supervisor. Supervisor will correct.	February 27, 2024	Joe Smith, Treasurer
2022-007	In this audit period the requirement for paying the prevailing wage was new and we have taken steps to ensure compliance. Even though both contractors paid prevailing wages, it was not in the written contracts.	February 27, 2024	Joe Smith, Treasurer

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Board of Education

***Eric Zint, President-Marilyn Mitchell-Vice President
Eric Wise, Sandy Free, Rachel Fraley, Members***

Greenfield Exempted Village School District
Schedule of Prior Audit Findings
2 CFR Section 200.511(b)
For the Fiscal Year Ended June 30, 2022

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
Finding 2021-001	Material Weakness – Financial Reporting and SEFA Presentation	No	Reissued as Finding 2022-001
Finding 2021-002	Material Weakness/ Noncompliance – Outstanding Encumbrances	Yes	
Finding 2021-003	Noncompliance – Appropriations in Excess of Estimated Resources	No	Reissued as Finding 2022-004
Finding 2021-004	Significant Deficiency – Program Income – Maintenance of Supporting Documentation for Lunchroom Collections	No	Reissued as Finding 2022-006

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OHIO AUDITOR OF STATE KEITH FABER



GREENFIELD EXEMPTED VILLAGE SCHOOL DISTRICT

HIGHLAND 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 4/9/2024

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

This report is a matter of public record and is available online at
www.ohioauditor.gov