MAHONING COUNTY CAREER AND TECHNICAL CENTER
MAHONING COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2024

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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Board of Education
Mahoning County Career and Technical Center
7300 N. Palmyra Rd.
Canfield, OH 44406

We have reviewed the *Independent Auditor's Report* of the Mahoning County Career and Technical Center, Mahoning County, prepared by BHM CPA Group, Inc., for the audit period July 1, 2023 through June 30, 2024. 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 Mahoning County Career and Technical Center is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

April 16, 2025

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Mahoning County Career and Technical Center
Mahoning County
For the Year Ended June 30, 2024
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INDEPENDENT AUDITOR'S REPORT

Mahoning County Career and Technical Center
Mahoning County
7300 North Palmyra Road
Canfield, Ohio 44406

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mahoning County Career and Technical Center, Mahoning County, Ohio (the Center), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center'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 Mahoning County Career and Technical Center, Mahoning County, Ohio as of June 30, 2024, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Center, 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.

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.

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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 Center'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 Center'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 Center's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements.

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

Supplementary information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2024, on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 Center'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 Center's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
January 15, 2024

The management's discussion and analysis of Mahoning County Career and Technical Center's (the Center) financial performance provides an overall review of the Center's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the Center's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Center's financial performance.

Financial Highlights

Key Financial Highlights for fiscal year 2024 are as follows:

- Net position increased in fiscal year 2024 primarily due to an increase in current assets due to the receipt of grant monies to be used for the upcoming career technical expansion project. This was coupled with a decrease in long-term liabilities due to annual debt payments and changes in the net pension liability.

- Certified and classified staff received a four percent increase in base salary for fiscal year 2024.

- The Center's capital asset additions included significant additions to all asset classes excluding land and intangible right to use lease assets. The Center began work on the new career technical expansion construction project during the fiscal year.

- The Center received more than $11 million in State funding for the career technical expansion project. Design services began in fiscal year 2024, with construction to begin in fiscal year 2025.

- The Center's long-term liabilities decreased primarily due to a decrease in the net pension liability and the Center's annual debt payments.

Using this Annual Financial Report

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

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

Reporting the Center as a Whole

Statement of Net Position and the Statement of Activities

While this document contains all the funds used by the Center to provide programs and activities, the view of the Center as a whole considers all financial transactions and asks the question, "How did we do financially during fiscal year 2024?" The *Statement of Net Position* and the *Statement of Activities* answers this question.

These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, similar to the accounting used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Center's net position and changes in this position. This change in net position is important because it tells the reader that, for the Center as a whole, the financial position of the Center has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Center's performance, demographic and socioeconomic factors and willingness of the community to support the Center.

In the Statement of Net Position and the Statement of Activities, all of the Center's activities are classified as governmental. Most of the Center's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service operations and extracurricular activities.

Reporting the Center's Most Significant Funds

Fund Financial Statements

The analysis of the Center's major funds begins with the balance sheet. Fund financial reports provide detailed information about the Center's major funds. The Center uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Center's most significant funds. The Center's major governmental funds are the general fund and the career technical construction capital projects fund.

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

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the Center. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the Center's programs. These funds use the accrual basis of accounting. The Center's only fiduciary fund is a private purpose trust scholarship fund.

The Center as a Whole

You may recall that the Statement of Net Position provides the perspective of the Center as a whole. Table 1 provides a comparison of the Center's Net Position for fiscal year 2024 compared to fiscal year 2023:

(Table 1)
Net Position
Governmental Activities

	2024	2023	Change
Assets			
Current and Other Assets	$50,183,388	$35,384,984	$14,798,404
Net OPEB Asset	918,276	1,215,131	(296,855)
Capital Assets, Net	25,533,028	22,687,674	2,845,354
Total Assets	76,634,692	59,287,789	17,346,903
Deferred Outflows of Resources			
Deferred Charge on Refunding	1,098,553	1,185,761	(87,208)
Pension	2,569,647	3,125,903	(556,256)
OPEB	474,352	347,550	126,802
Total Deferred Outflows of Resources	4,142,552	4,659,214	(516,662)
Liabilities			
Current Liabilities	1,886,372	2,083,742	197,370
Long-Term Liabilities			
Due Within One Year	1,205,621	1,195,842	(9,779)
Due In More Than One Year			
Net Pension Liability	12,450,082	12,671,025	220,943
Net OPEB Liability	652,848	562,317	(90,531)
Other Amounts	19,811,535	20,906,745	1,095,210
Total Liabilities	36,006,458	37,419,671	1,413,213
Deferred Inflows of Resources			
Property Taxes	9,981,754	7,885,690	(2,096,064)
Leases	191,292	0	(191,292)
Pension	1,022,689	1,527,623	504,934
OPEB	1,314,558	1,635,281	320,723
Total Deferred Inflows of Resources	12,510,293	11,048,594	(1,461,699)
Net Position			
Net Investment in Capital Assets	6,954,715	4,911,089	2,043,626
Restricted for:			
Capital Projects	10,792,036	867,064	9,924,972
Debt Service	0	91	(91)
Other Purposes	2,085,046	1,258,105	826,941
Unrestricted	12,428,696	8,442,389	3,986,307
Total Net Position	$32,260,493	$15,478,738	$16,781,755

The net pension liability (NPL) is one of the largest single liabilities reported by the Center at June 30, 2024. 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 Center is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick 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.

The Center continues to provide the services that the Center residents expect while maintaining the costs of providing those services. The most dramatic changes were to cash and cash equivalents, property taxes receivable and related deferred inflows of resources and capital assets. Cash and cash equivalents increased from fiscal year 2023 as the Center received State grant funding for the career technical expansion project. Capital assets increased due to current year additions exceeding depreciation/amortization for 2024. The Center also began work for the career technical expansion project.

In order to further understand what makes up the changes in net position for the current year, the following table gives further details regarding the results of activities for fiscal years 2024 and 2023.

(Table 2)
Change in Net Position
Governmental Activities

	2024	2023	Change
Revenues			
Program Revenues			
Charges for Services and Sales	$3,725,653	$3,152,154	$573,499
Operating Grants and Contributions	2,491,716	2,220,679	271,037
Capital Grants and Contributions	11,417,405	0	11,417,405
Total Program Revenues	$17,634,774	$5,372,833	$12,261,941

(Table 2)
Change in Net Position (continued)
Governmental Activities

	2024	2023	Change
General Revenues			
Property Taxes	$9,896,665	$7,696,096	$2,200,569
Grants and Entitlements	6,782,168	7,004,618	(222,450)
Investment Earnings/Interest	1,207,038	380,127	826,911
Unrestricted Contributions	3,902	0	3,902
Gain on Sale of Capital Assets	63,067	0	63,067
Miscellaneous	50,239	256,032	(205,793)
Total General Revenues	18,003,079	15,336,873	2,666,206
Total Revenues	35,637,853	20,709,706	14,928,147
Program Expenses			
Current:			
Instruction	10,397,893	10,311,880	(86,013)
Support Services:			
Pupils	1,220,181	1,373,662	153,481
Instructional Staff	1,033,267	797,068	(236,199)
Board of Education	88,294	87,631	(663)
Administration	1,811,984	1,725,035	(86,949)
Fiscal	650,569	664,539	13,970
Business	19,812	10,251	(9,561)
Operation and Maintenance of Plant	1,647,305	1,784,745	137,440
Pupil Transportation	100,975	65,058	(35,917)
Central	256,968	200,543	(56,425)
Extracurricular Activities	329,519	324,344	(5,175)
Operation of Non-Instructional Services	8,547	0	(8,547)
Operation of Food Service	628,654	671,580	42,926
Interest	662,130	669,218	7,088
Total Program Expenses	18,856,098	18,685,554	(170,544)
Change in Net Position	16,781,755	2,024,152	14,757,603
Net Position Beginning of Year	15,478,738	13,454,586	2,024,152
Net Position End of Year	$32,260,493	$15,478,738	$16,781,755

Revenue is divided into two major components: program revenues and general revenues. Program revenues are defined as fees, restricted grants and charges for services that are program specific. General revenues include taxes and unrestricted grants such as State Foundation support.

Program revenues increased for governmental activities in fiscal year 2024. Charges for services and sales increased primarily due to an increase in charges for services revenues as the Center provided additional services to other governments in fiscal year 2024. Operating grants and contributions increased due to an increase in State funding the Center received during the fiscal year. Capital grants and contributions increased due to the State funding received for the career tech expansion project. The Center continues to seek out restricted grant monies as additional sources of operating revenues.

General revenues increased in fiscal year 2024. Property taxes increased due to an increase in assessed values, which resulted in an increase in collections. Investment earnings/interest revenues increased due to the continued upturn in economic conditions, which resulted in a greater return on investments.

Program expenses increased from the prior year due to changes in the net pension/OPEB asset/liabilities coupled with wage increases for certified and classified employees and higher purchased services costs.

The Center relies heavily upon property taxes and the State School Foundation Program to support its operations. The Center also actively solicits and receives additional grant and entitlement funds to help offset operating costs.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services for 2024 compared to 2023.

(Table 3)
Total and Net Cost of Program Services
Governmental Activities

	Total Cost of Services 2024	Net Cost of Services 2024	Total Cost of Services 2023	Net Cost of Services 2023
Instruction	$10,397,893	($5,240,001)	$10,311,880	$7,549,434
Support Services:				
Pupils and Instructional Staff	2,253,448	2,017,525	2,170,730	1,772,123
Board of Education, Administration, Fiscal and Business	2,570,659	2,483,114	2,487,456	2,089,980
Operation and Maintenance of Plant	1,647,305	918,491	1,784,745	1,494,465
Pupil Transportation	100,975	100,975	65,058	65,058
Central	256,968	146,646	200,543	37,815
Extracurricular Activities	329,519	174,325	324,344	176,585
Operation of Non-Instructional Services	8,547	698	0	0
Operation of Food Service	628,654	(42,579)	671,580	(541,957)
Interest	662,130	662,130	669,218	669,218
Total Expenses	$18,856,098	$1,221,324	$18,685,554	$13,312,721

The dependence upon general revenues for governmental activities is apparent from Table 3. The majority of expenses are supported through taxes and other general revenues.

The Center's Funds

Information about the Center's major funds begins with the balance sheet. These funds are accounted for using the modified accrual basis of accounting. For fiscal year 2024, the general fund had an increase in fund balance primarily resulting from an increase in property taxes revenue as the Center received greater collections due to the increase in assessed values. This was coupled with an increase in investment earnings/interest revenue due to the continued upswing in economic conditions, which resulted in a greater return on investments. The career technical construction capital projects fund saw an increase in fund balance due to the receipt of State funding for the career tech expansion project.

General Fund Budgeting Highlights

Budgeting is prescribed by the Ohio Revised Code. Essentially, the budget is the Center's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the Revised Code. During the course of fiscal year 2024, the Center amended its general fund budget numerous times to allow for insignificant amendments. The Center uses a site-based budgeting system designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, the final budget basis revenue estimate was higher than the original budget estimate. The change was mainly attributed to an increase in property tax, intergovernmental and interest revenues as the Center had a better estimate of the annual collections. The final budget appropriations were lower than the original budget appropriations of the general fund due mainly to a decrease in operation and maintenance of plant as the Center's current year requirements became more apparent.

Capital Assets and Long-term Obligations

Capital Assets

During fiscal year 2024, the Center's capital asset additions included significant additions to all asset classes excluding land and intangible right to use lease assets. The construction in progress consisted of the career tech expansion project. Please refer to Note 12 within the Notes to the Basic Financial Statements for further information on capital assets.

Long-term Obligations

On January 8, 2015, the Center issued $1,749,999 of Series 2015 General Obligation bonds, which included serial, term and capital appreciation (deep discount) bonds in the amounts of $210,000, $1,520,000 and $19,999, respectively. The bonds were issued at a premium of $92,789. The bonds were issued for the purpose of constructing, reconstructing and otherwise improving the roof of the existing career center building. The bonds were issued for a twenty-nine year period with a final maturity at December 1, 2044. The term bonds remained outstanding at June 30, 2024.

On August 21, 2018, the Center issued $1,050,000 of Series 2018 School Improvement bonds. The school improvement bonds were issued for the purpose of various capital improvements. The bonds were issued for a fourteen year period with a final maturity at December 1, 2032.

On September 20, 2017, the Center issued $13,005,000 of Series 2017 Refunding Certificates of Participation (COPs), which included serial and term bonds in the amounts of $11,510,000 and $1,495,000, respectively. The COPs issuance included a premium of $651,590, which will be amortized over the life of the COPs. The COPs were issued to currently refund the Series 2009 Certificates of Participation in order to take advantage of lower interest rates. The certificates were issued for a nineteen year period, with a final maturity at December 1, 2036. The COPs were issued through a series of lease agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. The COPs have designated to be "qualified tax exempt obligations" within the meaning of 265(b)(3) of the Ohio Revised Code. In accordance with the lease terms, the project assets are leased to the Ohio School Building Leasing Corporation, and then subleased back to the Center. Clear title to and right of possession of the leased property will transfer to the Center upon the expiration of the lease term.

As a result of the current refunding, the Center reduced its total debt service requirements by $2,177,428, which resulted in an economic gain (difference between the present value of debt service payments on the old and new debt) of $1,678,959.

On September 7, 2021, the Center issued $7,115,000 of Series 2021 Refunding Certificates of Participation (COPs), which included serial and term bonds in the amounts of $3,640,000 and $3,475,000, respectively. The COPs issuance included a premium of $1,308,059, which will be amortized over the life of the COPs. The COPs were issued to currently refund the Series 2014 Certificates of Participation in order to take advantage of lower interest rates. The certificates were issued for a twenty year period, with a final maturity at December 1, 2041. The COPs were issued through a series of lease agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. The COPs have designated to be "qualified tax exempt obligations" within the meaning of 265(b)(3) of the Ohio Revised Code. In accordance with the lease terms, the project assets are leased to the Ohio School Building Leasing Corporation, and then subleased back to the Center. Clear title to and right of possession of the leased property will transfer to the Center upon the expiration of the lease term.

As a result of the current refunding, the Center reduced its total debt service requirements by $2,114,655, which resulted in an economic gain (difference between the present value of debt service payments on the old and new debt) of $1,548,010.

The overall debt margin of the Center as of June 30, 2024, was $507,475,514 with an unvoted debt margin of $5,662,552. Please refer to Note 16 within the Notes to the Basic Financial Statements for further information on debt.

Current Financial Related Activities

Currently the Mahoning County Career and Technical Center has 748 students enrolled in its 11th and 12th grade high school programs. The Valley Stem + ME2 Academy, which is housed at the Mahoning County Career and Technical Center, has a current enrollment of 204 students, which is at capacity. During fiscal year 2025, the Center continues renovations to facilities and continues construction on the career tech expansion project.

Management must continue to diligently plan expenses, staying carefully within the Center's financial forecast. Additional revenues must not be treated as a windfall to expand programs but as an opportunity to extend the time horizon of the life of the levies. All of the Center's financial abilities will be needed to meet the challenges of the future. In conclusion, the Center has committed itself to financial excellence for many years.

Contacting the Center's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Center's finances and to show the Center's accountability for the money it receives. If you have questions about this report or need additional financial information contact, Brian Rella, Treasurer at Mahoning County Career and Technical Center, 7300 North Palmyra Road, Canfield, Ohio 44406.

Basic Financial Statements

Mahoning County Career and Technical Center

Statement of Net Position

June 30, 2024

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	$38,867,622
Accrued Interest Receivable	30,389
Accounts Receivable	29,658
Intergovernmental Receivable	314,542
Inventory Held for Resale	7,305
Materials and Supplies Inventory	2,046
Prepaid Items	3,315
Property Taxes Receivable	10,737,219
Leases Receivable	191,292
Net OPEB Asset (See Note 18)	918,276
Nondepreciable Capital Assets	459,500
Depreciable Capital Assets, Net	25,073,528
Total Assets	76,634,692
Deferred Outflows of Resources	
Deferred Charge on Refunding	1,098,553
Pension	2,569,647
OPEB	474,352
Total Deferred Outflows of Resources	4,142,552
Liabilities	
Accounts Payable	72,759
Accrued Wages and Benefits	1,267,494
Contracts Payable	179,893
Intergovernmental Payable	298,205
Matured Compensated Absences Payable	12,707
Accrued Interest Payable	55,314
Long-Term Liabilities:	
Due Within One Year	1,205,621
Due in More Than One Year	
Net Pension Liability (See Note 17)	12,450,082
Net OPEB Liability (See Note 18)	652,848
Other Amounts	19,811,535
Total Liabilities	36,006,458
Deferred Inflows of Resources	
Property Taxes	9,981,754
Leases	191,292
Pension	1,022,689
OPEB	1,314,558
Total Deferred Inflows of Resources	12,510,293
Net Position	
Net Investment in Capital Assets	6,954,715
Restricted for:	
Capital Projects	10,792,036
Unclaimed Monies	29,561
OPEB Plans	918,276
Other Purposes	1,137,209
Unrestricted	12,428,696
Total Net Position	$32,260,493

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center
Statement of Activities
For the Fiscal Year Ended June 30, 2024

		Program Revenues			Net Revenue/(Expense) and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction:					
Regular	$2,670,911	$4,310	$0	$0	($2,666,601)
Vocational	7,132,490	1,919,643	1,009,439	11,417,405	7,213,997
Adult/Continuing	594,492	665,368	621,729	0	692,605
Support Services:					
Pupils	1,220,181	0	199,214	0	(1,020,967)
Instructional Staff	1,033,267	4,455	32,254	0	(996,558)
Board of Education	88,294	0	0	0	(88,294)
Administration	1,811,984	0	85,128	0	(1,726,856)
Fiscal	650,569	0	0	0	(650,569)
Business	19,812	0	2,417	0	(17,395)
Operation and Maintenance of Plant	1,647,305	711,622	17,192	0	(918,491)
Pupil Transportation	100,975	0	0	0	(100,975)
Central	256,968	0	110,322	0	(146,646)
Extracurricular Activities	329,519	133,602	21,592	0	(174,325)
Operation of Non-Instructional Services	8,547	0	7,849	0	(698)
Operation of Food Service	628,654	286,653	384,580	0	42,579
Interest	662,130	0	0	0	(662,130)
Totals	$18,856,098	$3,725,653	$2,491,716	$11,417,405	(1,221,324)

General Revenues	
Property Taxes Levied for General Purposes	9,896,665
Grants and Entitlements not Restricted to Specific Programs	6,782,168
Investment Earnings/Interest	1,207,038
Unrestricted Contributions	3,902
Gain on Sale of Capital Assets	63,067
Miscellaneous	50,239
Total General Revenues	18,003,079
Change in Net Position	16,781,755
Net Position Beginning of Year	15,478,738
Net Position End of Year	$32,260,493

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center

Balance Sheet
Governmental Funds
June 30, 2024

	General	Career Technical Construction	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	$25,160,072	$10,646,702	$3,031,287	$38,838,061
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	29,561	0	0	29,561
Accrued Interest Receivable	30,389	0	0	30,389
Accounts Receivable	0	0	29,658	29,658
Intergovernmental Receivable	268,718	0	45,824	314,542
Prepaid Items	3,315	0	0	3,315
Interfund Receivable	36,216	0	0	36,216
Inventory Held for Resale	0	0	7,305	7,305
Materials and Supplies Inventory	0	0	2,046	2,046
Property Taxes Receivable	10,737,219	0	0	10,737,219
Leases Receivable	191,292	0	0	191,292
Total Assets	$36,456,782	$10,646,702	$3,116,120	$50,219,604
Liabilities				
Accounts Payable	$50,002	$0	$22,757	$72,759
Accrued Wages and Benefits	1,201,752	0	65,742	1,267,494
Contracts Payable	17,893	162,000	0	179,893
Intergovernmental Payable	287,811	0	10,394	298,205
Interfund Payable	0	0	36,216	36,216
Matured Compensated Absences Payable	12,707	0	0	12,707
Total Liabilities	1,570,165	162,000	135,109	1,867,274
Deferred Inflows of Resources				
Property Taxes	9,981,754	0	0	9,981,754
Leases	191,292	0	0	191,292
Unavailable Revenue	677,085	0	0	677,085
Total Deferred Inflows of Resources	10,850,131	0	0	10,850,131
Fund Balances				
Nonspendable	32,876	0	2,046	34,922
Restricted	0	10,484,702	1,332,344	11,817,046
Committed	283,841	0	1,659,863	1,943,704
Assigned	137,589	0	0	137,589
Unassigned (Deficit)	23,582,180	0	(13,242)	23,568,938
Total Fund Balances	24,036,486	10,484,702	2,981,011	37,502,199
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$36,456,782	$10,646,702	$3,116,120	$50,219,604

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2024

Total Governmental Funds Balances		$37,502,199
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.		25,533,028
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable revenue in the funds:		
Delinquent Property Taxes	668,465	
Intergovernmental	8,620	
Total		677,085
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.		(55,314)
The net pension liability and net OPEB asset/liability are not due and payable in the current period; therefore, the asset/liability and related deferred inflows/outflows are not reported in governmental funds:		
Net OPEB Asset	918,276	
Deferred Outflows - Pension	2,569,647	
Deferred Outflows - OPEB	474,352	
Net Pension Liability	(12,450,082)	
Net OPEB Liability	(652,848)	
Deferred Inflows - Pension	(1,022,689)	
Deferred Inflows - OPEB	(1,314,558)	
Total		(11,477,902)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,218,406)	
Certificates of Participation	(17,312,413)	
Deferred Charge on Refunding	1,098,553	
Compensated Absences	(1,438,884)	
Leases Payable	(47,453)	
Total		(19,918,603)
Net Position of Governmental Activities		$32,260,493

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General	Career Technical Construction	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	$9,647,470	$0	$0	$9,647,470
Intergovernmental	7,597,882	11,417,405	1,645,790	20,661,077
Investment Earnings/Interest	1,207,038	0	0	1,207,038
Charges for Services	1,857,707	0	291,108	2,148,815
Tuition and Fees	66,246	0	689,439	755,685
Extracurricular Activities	0	0	133,602	133,602
Rentals	621,537	0	0	621,537
Contributions and Donations	3,902	0	21,592	25,494
Lease Revenue	90,085	0	0	90,085
Miscellaneous	16,117	0	34,122	50,239
Total Revenues	21,107,984	11,417,405	2,815,653	35,341,042
Expenditures				
Current:				
Instruction:				
Regular	2,723,483	0	0	2,723,483
Vocational	6,349,500	598,107	343,527	7,291,134
Adult/Continuing	11,076	0	741,324	752,400
Support Services:				
Pupils	1,028,882	0	203,100	1,231,982
Instructional Staff	939,113	0	59,519	998,632
Board of Education	88,493	0	0	88,493
Administration	1,494,473	0	343,269	1,837,742
Fiscal	647,491	0	2,350	649,841
Business	129	0	9,432	9,561
Operation and Maintenance of Plant	2,028,842	0	1,197,512	3,226,354
Pupil Transportation	97,622	0	0	97,622
Central	90,665	0	166,303	256,968
Extracurricular Activities	168,045	0	163,140	331,185
Operation of Non-Instructional Services	698	0	7,849	8,547
Operation of Food Service	0	0	616,810	616,810
Capital Outlay	104,214	334,596	709,843	1,148,653
Debt Service:				
Principal Retirement	894,554	0	111,489	1,006,043
Interest	597,350	0	87,020	684,370
Total Expenditures	17,264,630	932,703	4,762,487	22,959,820
Excess of Revenues Over (Under) Expenditures	3,843,354	10,484,702	(1,946,834)	12,381,222
Other Financing Sources (Uses)				
Sale of Capital Assets	79,087	0	0	79,087
Inception of Subscription	11,150	0	0	11,150
Transfers In	0	0	2,772,909	2,772,909
Transfers Out	(2,772,909)	0	0	(2,772,909)
Total Other Financing Sources (Uses)	(2,682,672)	0	2,772,909	90,237
Net Change in Fund Balances	1,160,682	10,484,702	826,075	12,471,459
Fund Balances Beginning of Year	22,875,804	0	2,154,936	25,030,740
Fund Balances End of Year	$24,036,486	$10,484,702	$2,981,011	$37,502,199

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center
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, 2024

Net Change in Fund Balances - Total Governmental Funds		$12,471,459
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/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period:		
Capital Asset Additions	4,002,720	
Current Year Depreciation/Amortization	(1,141,346)	
Total		2,861,374
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(16,020)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Property Taxes	249,195	
Intergovernmental	8,620	
Tuition and Fees	(24,071)	
Total		233,744
Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		1,006,043
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:		
Accrued Interest	3,215	
Amortization of Bond Premiums	106,233	
Amortization of Deferred Charge on Refunding	(87,208)	
Total		22,240
Other financing sources, such as inception of subscription, in the governmental funds increase long-term liabilities in the statement of net position:		(11,150)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:		
Pension	1,187,578	
OPEB	13,548	
Total		1,201,126
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities:		
Pension	(1,017,957)	
OPEB	46,591	
Total		(971,366)
Some expenses, such as compensated absences, 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.		(15,695)
Change in Net Position of Governmental Activities		$16,781,755

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$7,932,690	$10,534,105	$9,607,470	($926,635)
Intergovernmental	5,637,284	6,665,346	7,597,882	932,536
Interest	392,692	719,475	1,006,976	287,501
Charges for Services	2,984,200	2,971,062	1,991,597	(979,465)
Tuition and Fees	3,702	4,466	4,310	(156)
Rentals	697,702	697,702	573,894	(123,808)
Contributions and Donations	3,036	3,036	3,902	866
Miscellaneous	63,012	63,013	16,117	(46,896)
Total Revenues	17,714,318	21,658,205	20,802,148	(856,057)
Expenditures				
Current:				
Instruction:				
Regular	2,986,729	2,770,380	2,770,380	0
Vocational	5,995,174	6,299,650	6,299,646	4
Adult/Continuing	3,422	11,041	11,041	0
Support Services:				
Pupils	1,076,319	1,119,645	1,111,593	8,052
Instructional Staff	613,581	993,123	993,123	0
Board of Education	88,704	109,589	101,704	7,885
Administration	1,248,405	1,496,729	1,496,729	0
Fiscal	629,584	708,626	669,237	39,389
Business	129	129	129	0
Operation and Maintenance of Plant	3,231,168	2,245,516	2,196,417	49,099
Pupil Transportation	35,571	240,795	240,795	0
Central	93,250	93,657	93,173	484
Extracurricular Activities	122,658	173,021	173,021	0
Operation of Non-Instructional Services	698	698	698	0
Capital Outlay	862,063	212,936	212,936	0
Debt Service:				
Principal	870,000	870,000	870,000	0
Interest	595,850	595,850	595,850	0
Total Expenditures	18,453,305	17,941,385	17,836,472	104,913
Excess of Revenues Over (Under) Expenditures	(738,987)	3,716,820	2,965,676	(751,144)
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	64,644	64,644
Advances In	0	0	15,950	15,950
Advances Out	(15,000)	(30,745)	(30,745)	0
Transfers In	1,000	0	0	0
Transfers Out	(500,000)	(3,740,654)	(2,864,909)	875,745
Total Other Financing Sources (Uses)	(514,000)	(3,771,399)	(2,815,060)	956,339
Net Change in Fund Balance	(1,252,987)	(54,579)	150,616	205,195
Fund Balance Beginning of Year	24,416,381	24,416,381	24,416,381	0
Prior Year Encumbrances Appropriated	416,335	416,335	416,335	0
Fund Balance End of Year	$23,579,729	$24,778,137	$24,983,332	$205,195

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center

Statement of Fiduciary Net Position
Private Purpose Trust Fund
June 30, 2024

	Scholarship
Assets	
Equity in Pooled Cash and Cash Equivalents	$4,432
Net Position	
Restricted For:	
Scholarships	$4,432

See accompanying notes to the basic financial statements

Mahoning County Career and Technical Center

Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2024

	Scholarship
Additions	
Contributions and Donations	$600
Deductions	
Payments in Accordance with Trust Agreements	1,750
Change in Fiduciary Net Position	(1,150)
Net Position Beginning of Year	5,582
Net Position End of Year	$4,432

See accompanying notes to the basic financial statements

Note 1 – Description of the Center and Reporting Entity

The Mahoning County Career and Technical Center (the Center) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the Constitution and laws of the State of Ohio. The Center is a joint vocational center as defined by Section 3311.18 of the Ohio Revised Code. The Center includes thirteen member schools spread through Mahoning, Trumbull, Columbiana and Portage Counties. The Center operates under a seven member Board of Education and is responsible for the provision of public education to residents of the Center. The Board consists of the five members appointed by the Educational Service Center of Eastern Ohio (ESC), representing the eleven local school districts, and one representative from each of the two city school districts, Struthers and Campbell. The ESC cannot directly impose their will on the Center; therefore, the Center is a related organization of the ESC. The Center employs 68 certified employees, 28 non-certified employees, and 13 administrative employees who provide services to 748 students and other community members.

Reporting Entity

The Center is considered to be a stand-alone government because it is a legally separate entity but does not have an elected board. The reporting entity is composed of the stand-alone government, component units, and other organizations that are included to ensure that the basic financial statements are not misleading. The stand-alone government consists of all funds, departments, boards, and agencies that are not legally separate from the Center. For the Center, this includes the agencies and departments that provide the following services: general operations, food service, adult education and student related activities of the Center.

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

The Center participates in three jointly governed organization, two insurance purchasing pools and a shared risk pool. These organizations are the Area Cooperative Computerized Educational Service System Council of Governments, the Mahoning Area Consortium Tech Prep, Ohio Schools Council, Ohio Association of School Business Officials Workers' Compensation Group Rating Program, Ohio School Plan and the Mahoning County School Employees Insurance Consortium. These organizations are presented in Notes 19 and 20 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the Center as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the Center that are governmental and those that are considered business-type. The Center, however, has no business-type activities.

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

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

Fund Accounting

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

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

> ***General Fund*** The general fund is used to account and report for all financial resources, except those required to be accounted for and reported in another fund. The general fund balance is available to the Center for any purpose provided it is expended or transferred according to the general laws of Ohio.
>
> ***Career Technical Construction Fund*** To account for and report State grant monies restricted for the construction and improvement of career technical facilities.

The other governmental funds of the Center account for grants and other resources whose uses are restricted, committed, or assigned to a particular purpose.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into the following four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that has certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The Center's only fiduciary fund is a private purpose trust fund used to account for assets held by the Center for scholarships. The Center has no custodial funds.

Measurement Focus

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

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

Like the government-wide statements, all fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus. Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from private purpose trust funds.

Basis of Accounting

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

Revenues – Exchange and Non-exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Center, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the Center 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 8). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Center must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Center on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Center, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension and OPEB plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 17 and 18.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the Center, deferred inflows of resources include property taxes, pension, OPEB plans, leases, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. The deferred inflow for leases is related to the leases receivable and is being recognized as lease revenue in a systematic and rational manner over the term of the lease. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Center, unavailable revenue includes delinquent property taxes and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 17. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 17 and 18).

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

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

Pensions/Other Postemployment Benefits (OPEB)

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

Budgetary Data

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

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the Center Treasurer. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate that was in effect at the time the original and final appropriations were passed by the Board of Education.

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

Cash and Cash Equivalents

To improve cash management, cash received by the Center is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through Center records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During fiscal year 2024, investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), First American government obligations, money market accounts, negotiable certificates of deposit, federal home loan bank notes, federal farm credit bank notes, federal national mortgage association notes, federal home loan mortgage corporation notes, international bank for reconstruction and development bonds and U.S. treasury notes.

Investments, except STAR Ohio, are reported at fair value which is based on quoted market prices. The fair value of the money market fund is determined by the fund's current share price.

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 Center measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

STAR Ohio reserves the right to limit participant transactions to $250 million per day. Transactions in all of a participant's accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of $100 million or more. For fiscal year 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Under existing Ohio statutes, all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment earnings/interest revenue credited to the general fund during fiscal year 2024 amounted to $1,207,038, $421,371 of which was assigned from other Center funds.

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which the services are consumed.

Inventory

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

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments or imposed by law through constitutional provisions. Restricted assets in the general fund represent money restricted for unclaimed monies.

Capital Assets

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

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

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

Description	Governmental Activities Estimated Lives
Land Improvements	10 years
Buildings and Improvements	45 years
Furniture, Fixtures and Equipment	3 - 20 years
Vehicles	5 - 20 years
Intangible Right to Use - Equipment Lease	5 years
Intangible Right to Use - Software	5 years

The Center is reporting intangible right to use assets related to lease assets and subscription assets. The lease assets include equipment and represent nonfinancial assets which are being utilized for a period of time through leases from another entity. Subscription assets represent intangible right to use assets related to the use of another party's IT software. These intangible right to use assets are being amortized in a systematic and rational manner over the shorter of the lease/subscription term or the useful life of the underlying asset.

Interfund Balances

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

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

Bond Premiums

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums are receipted in the year the bonds are issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Center will compensate the employees for the benefits through paid time off or some other means. The Center records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Center's past experience of making termination payments.

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

On the financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employee who has accumulated unpaid leave will be paid.

Accrued Liabilities and Long-Term Obligations

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

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

Leases

The Center serves as both lessor and lessee in various noncancellable leases which are accounted for as follows:

> ***Lessee*** At the commencement of a lease, the Center initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Lease assets are reported with other capital assets, and lease liabilities are reported with long-term debt on the statement of net position.
>
> ***Lessor*** At the commencement of a lease, the Center initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Subscriptions

The Center is reporting Subscription-Based Information Technology Arrangements (SBITAs) for various noncancellable IT software contracts. At the commencement of the subscription term, the Center initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at the commencement of the subscription term, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the subscription term. Subscription assets are reported with other capital assets, and subscription payables are reported with long-term debt on the statement of net position.

Internal Activity

Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

Fund Balance

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

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

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

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 Center Board of Education. Those committed amounts cannot be used for any other purpose unless the Center 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 Center for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the Center Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the Center Board of Education or a Center official delegated that authority by State statute. State statute authorizes the Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The Board of Education assigned fund balance for uniform school supplies and public school support.

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.

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted net position for OPEB plans represent the corresponding restricted asset amounts held in trust by the OPEB plans for future benefits. Net position restricted for other purposes include resources restricted for food services, vocational education and support services.

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

Estimates

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

Note 3 – Change in Accounting Principle

For fiscal year 2024, the Center implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections,* and related guidance from GASB Implementation Guide No. 2023-1, *Implementation Guidance Update — 2023*. The Center also implemented Question 5.1 from GASB Implementation Guide No. 2021-1, *Implementation Guidance Update — 2021*.

GASB 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision-useful, understandable, and comprehensive information for users about accounting changes and error corrections.

Question 5.1 from Implementation Guide 2021-1 addresses the collective significance of applying the capitalization threshold to individual items in a group of assets. The Center reviewed its capital asset groupings and determined there were no asset groups where individually the assets were under the capitalization threshold yet were significant collectively.

The implementation of GASB Statement No. 100 and GASB Implementation Guides 2021-1 and 2023-1 did not have any effect on beginning net position/fund balance.

In an effort to promote comparability with other governments, the Center updated its calculation of net position restricted for pension and OPEB plans for fiscal year 2024. This change had no impact on beginning net position, but rather reclassified the amounts presented as net position restricted for OPEB plans and unrestricted net position.

Note 4 – Budgetary Basis of Accounting

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

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

2. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

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

4. Investments are reported at cost (budget) rather than at fair value (GAAP).

5. Budgetary revenues and expenditures of the uniform school supplies and public school support funds are classified to the general fund for GAAP reporting.

6. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the general fund.

Net Change in Fund Balance	
GAAP Basis	$1,160,682
Net Adjustment for Revenue Accruals	(83,322)
Advances In	15,950
Net Adjustment for Expenditure Accruals	(197,997)
Advances Out	(30,745)
Beginning Fair Value Adjustment for Investments	(513,926)
Ending Fair Value Adjustment for Investments	353,348
Perspective Difference:	
Uniform School Supplies	1,303
Public School Support	(9,896)
Adjustment for Encumbrances	(544,781)
Budget Basis	$150,616

Note 5 – Compliance and Accountability

Compliance

The Center had a negative cash balance in the amount of $5,471 in the district agency fund at June 30, 2024. The negative cash balance indicates that revenue from other sources were used to pay obligations of this fund, contrary to Ohio Revised Code Section 5705.10. The cash deficit was the result of monies being expended with the expectation that the Center will be reimbursed during fiscal year 2025. Although the cash deficit was not corrected by fiscal year end, management has indicated that cash will be closely monitored to prevent future violations.

Accountability

Fund balances at June 30, 2024, included individual fund deficits in the following funds:

	Amount
Special Revenue:	
District Agency	$5,471
Adult Basic Literacy	6,881
Basic Pell Education Grant	890

These deficits are caused by the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the general fund needed for operations until the receipt of grant monies. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 6 – Deposits and Investments

Monies held by the Center are classified by State statute into three categories.

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

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

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

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

Interim monies held by the Center can be deposited or invested in the following securities:

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

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

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

4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

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

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

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

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

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

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

Investments

As of June 30, 2024, the Center had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percentage of Total Investments
Net Asset Value (NAV) per share:				
STAR Ohio	$4,242,397	Average 46.5 Days	AAAm	N/A
Fair Value - Level One Inputs:				
First American Government Obligation	6,701,791	Less than one year	AAAm	27.19%
Money Market Accounts	173,374	Less than one year	AAAm	N/A
Total Fair Value - Level One Inputs	6,875,165			
Fair Value - Level Two Inputs:				
Negotiable Certificates of Deposit	2,669,525	Less than one year	N/A	
Negotiable Certificates of Deposit	950,471	Less than two years	N/A	
Total Negotiable Certificates of Deposit	3,619,996			14.69%
Federal Home Loan Bank Notes	2,273,154	Less than one year	AA+	
Federal Home Loan Bank Notes	2,217,772	Less than two years	AA+	
Total Federal Home Loan Bank Notes	4,490,926			18.22%
Federal Farm Credit Bank Notes	568,721	Less than two years	AA+	N/A
Federal National Mortgage Association Notes	235,120	Less than two years	AA+	N/A
Federal Home Loan Mortgage Corporation Notes	2,968,300	Less than one year	AA+	
Federal Home Loan Mortgage Corporation Notes	648,463	Less than four years	AA+	
Total Federal Home Loan Mortgage Corporation Notes	3,616,763			14.67%
International Bank for Reconstruction and Development Bonds	750,960	Less than five years	AA+	N/A
US Treasury Notes	247,066	Less than one year	AA+	N/A
Total	$24,647,114			

The Center categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the Center's recurring fair value measurements as of June 30, 2024. The First American government obligation and money market account are measured at fair value and are valued using quoted market prices (Level 1 inputs). The Center's remaining investments are measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs)

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates and according to State law, the Center's investment policy limits investment portfolio maturities to within five years from the date of purchase.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Center will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The negotiable certificates of deposit, Federal Home Loan Bank Notes, Federal Farm Credit Bank Notes, Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes and US Treasury Notes are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty. The Center has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Credit Risk Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized statistical rating organization and that the money market mutual fund be rated in the highest category at the time of purchase by at least one nationally recognized statistical rating organization. The negotiable certificates of deposit are not rated. The Center has no investment policy that addresses credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Concentration of Credit Risk This type of risk is defined by the Governmental Accounting Standards Board as having investments of five percent or more in the securities of a single issuer. The Center's investment policy places no limit on the amount that may be invested in any one issuer.

Note 7 – Receivables

Receivables at June 30, 2024, consisted of taxes, accounts, leases, accrued interest and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current fiscal year guarantee of federal funds. All receivables, except for property taxes and leases, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
STEM Charges	$133,235
Educational Service Center of Eastern Ohio	126,863
Carl D. Perkins Secondary Grant	44,477
Foundation Adjustments	8,620
Elementary and Secondary School Emergency Relief Grant	1,347
Total	$314,542

Leases Receivable

The Center is reporting leases receivable of $191,292 in the general fund at June 30, 2024. This amount represents the discounted future lease payments. This discount is being amortized using the interest method. For fiscal year 2024, the Center recognized lease revenue of $90,085 and interest revenue of $9,915 in the general fund related to lease payments received. These lease revenue amounts exclude short-term leases. A description of the Center's leasing arrangement is as follows:

Facility Lease – The Center has entered into a lease agreement with Valley STEM + ME2 Academy, Inc., for classrooms and labs space for a period of 3 years commencing in fiscal year 2024 and ending in fiscal year 2026. Payments are made quarterly.

A summary of future lease amounts receivable is as follows:

	General	
Fiscal Year	Principal	Interest
2024	$93,743	$6,257
2025	97,549	2,451
	$191,292	$8,708

Note 8 – Property Taxes

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

Property taxes include amounts levied against all real property and public utility property located in the Center. Real property tax revenues received in calendar year 2024 represents collections of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2023, on the assessed value listed as of January 1, 2023, the lien date. Assessed values for real property are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2024 represents collections of calendar year 2023 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 become a lien December 31, 2022, were levied after April 1, 2023, and are collected in calendar year 2024 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The Center receives property taxes from Mahoning, Trumbull, Portage and Columbiana Counties. The Mahoning County Auditor periodically advances to the Center its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2024, are available to finance fiscal year 2024 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2024, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations are reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The amount available as an advance at June 30, 2024 was $87,000 in the general fund. The amount available as an advance at June 30, 2023 was $47,000 in the general fund. The difference was in timing and collection by the County Auditor.

The assessed values upon which the fiscal year 2024 taxes were collected are:

	2023 Second Half Collections		2024 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	$4,045,890,790	93.29 %	$5,363,215,310	94.71 %
Public Utility Personal	291,130,920	6.71	299,337,100	5.29
Total	$4,337,021,710	100.00 %	$5,662,552,410	100.00 %
Tax rate per $1,000 of assessed valuation	$2.10		$2.10	

Note 9 – Fund Balances

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

Fund Balances	General	Career Technical Construction	Other Governmental Funds	Total
Nonspendable				
Unclaimed Monies	$29,561	$0	$0	$29,561
Prepaids	3,315	0	0	3,315
Materials and Supplies Inventory	0	0	2,046	2,046
Total Nonspendable	32,876	0	2,046	34,922
Restricted for				
Food Service Operations	0	0	278,920	278,920
Adult Education	0	0	549,720	549,720
Student Managed Activities	0	0	90,155	90,155
Miscellaneous State Programs	0	0	267,273	267,273
Other Purposes	0	0	145	145
Debt Service Payments	0	0	797	797
Capital Projects	0	10,484,702	145,334	10,630,036
Total Restricted	0	10,484,702	1,332,344	11,817,046
Committed to				
Instruction	29,017	0	0	29,017
Support Services	232,172	0	0	232,172
Capital Projects	22,652	0	1,659,863	1,682,515
Total Committed	283,841	0	1,659,863	1,943,704
Assigned to				
Uniform School Supplies	5,892	0	0	5,892
Public School Support	12,981	0	0	12,981
Purchases on Order:				
Instruction	27,887	0	0	27,887
Support Services	68,895	0	0	68,895
Extracurricular Activities	3,934	0	0	3,934
Capital Projects	18,000	0	0	18,000
Total Assigned	137,589	0	0	137,589
Unassigned (Deficit)	23,582,180	0	(13,242)	23,568,938
Total Fund Balances	$24,036,486	$10,484,702	$2,981,011	$37,502,199

Note 10 – Other Employee Benefits

Insurance Benefits

The Center provides life insurance and accidental death and dismemberment insurance in the amount of $30,000 per classified employee and $50,000 per certified and administrative employee through the Metropolitan Educational Insurance Company.

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum. Upon retirement, payment is made for 25 to 30 percent of the total sick leave accumulation, up to a maximum accumulation of 84 days for all employees. An employee receiving such payment must meet the retirement provisions set by STRS or SERS.

Note 11 – Interfund Balances and Transfers

Interfund Balances

Interfund balances at June 30, 2024, consisted of the following:

Interfund Payable	Interfund Receivable General
Other Governmental Funds:	
District Agency	$5,471
Elementary and Secondary School Emergency Relief	1,347
Vocational Education	28,508
Basic PELL Education Grant	890
Total Governmental Funds	$36,216

Interfund receivables and payables are due to the timing of the receipt of grant monies and monies collected for some programs received by various funds. The general fund provides money to operate the programs until grants and other monies are received and the advances can be repaid.

Interfund Transfers

The general fund transferred $199,909 to the bond retirement debt service fund to provide financial support for the Center's debt service requirements, $2,000,000 to the permanent improvement capital projects fund to help pay for various capital improvement projects and $573,000 to the building capital projects fund to help pay for the construction of the innovative energy and technology workforce training center.

Note 12 – Capital Assets

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	Balance 7/1/2023	Additions	Reductions	Balance 6/30/2024
Governmental Activities				
Nondepreciable Capital Assets				
Land	$125,000	$0	$0	$125,000
Construction in Progress	0	334,500	0	334,500
Total Nondepreciable Capital Assets	125,000	334,500	0	459,500
Depreciable/Amortizable Capital Assets				
Tangible Assets				
Land Improvements	1,086,427	160,605	0	1,247,032
Buildings and Improvements	32,908,872	2,244,164	0	35,153,036
Furniture, Fixtures, and Equipment	4,380,222	1,051,802	(802,906)	4,629,118
Vehicles	196,238	200,499	0	396,737
Total Tangible Assets	38,571,759	3,657,070	(802,906)	41,425,923
Intangible Right to Use				
Lease Assets				
Intangible Right to Use - Equipment	76,183	0	0	76,183
Subscription Assets				
Intangible Right to Use - Software	0	11,150	0	11,150
Total Intangible Assets	76,183	11,150	0	87,333
Total Depreciable/Amortizable Capital Assets	38,647,942	3,668,220	(802,906)	41,513,256
Less Accumulated Depreciation/Amortization				
Depreciation				
Land Improvements	(476,175)	(78,329)	0	(554,504)
Buildings and Improvements	(12,454,837)	(771,681)	0	(13,226,518)
Furniture, Fixtures, and Equipment	(2,985,951)	(262,406)	786,886	(2,461,471)
Vehicles	(147,354)	(11,463)	0	(158,817)
Total Depreciation	(16,064,317)	(1,123,879)	786,886	(16,401,310)
Amortization				
Lease Assets				
Intangible Right to Use - Equipment	(20,951)	(15,237)	0	(36,188)
Subscription Assets				
Intangible Right to Use - Software	0	(2,230)	0	(2,230)
Total Amortization	(20,951)	(17,467)	0	(38,418)
Total Accumulated Depreciation/Amortization	(16,085,268)	(1,141,346) *	786,886	(16,439,728)
Total Depreciable/Amortizable Capital Assets, Net	22,562,674	2,526,874	(16,020)	25,073,528
Governmental Activities Capital Assets, Net	$22,687,674	$2,861,374	($16,020)	$25,533,028

* Depreciation/amortization expense was charged to governmental functions as follows:

	Depreciation	Lease Amortization	Subscription Amortization	Total
Instruction				
Regular	$17,344	$15,237	$0	$32,581
Vocational	970,845	0	0	970,845
Adult/Continuing	6,859	0	0	6,859
Support Services				
Instructional Staff	35,578	0	2,230	37,808
Business	10,251	0	0	10,251
Operation and Maintenance of Plant	66,564	0	0	66,564
Pupil Transportation	3,375	0	0	3,375
Operation of Food Services	13,063	0	0	13,063
Total Depreciation/Amortization Expense	$1,123,879	$15,237	$2,230	$1,141,346

Note 13 – Contingencies

Grants

The Center received financial assistance from Federal and State agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, the effect of any such disallowed claims on the overall financial position of the Center at June 30, 2024, if applicable, cannot be determined at this time.

Foundation Funding

Center Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education and Workforce (DEW) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional DEW adjustments for fiscal year 2024 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2024 financial statements is not determinable at this time. Management believes this may result in either an additional receivable to, or liability of the Center.

Litigation

The Center is party legal proceedings seeking damages. The Center's administration is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect on the financial condition of the Center.

Note 14 – Risk Management

Property and Liability

The Center is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2024, the Center participated in the Ohio School Plan insurance program through Moore Risk Solutions Insurance LLC for various types of insurance. Coverage is as follows:

Type of Coverage	Coverage
Property/Boiler and Machinery ($1,000 deductible)	$113,110,748
Extra Expense ($1,000 deductible)	1,000,000
Aircraft ($1,000 deductible)	243,426
Crime ($1,000 deductible)	50,000
General Liability, in aggregate	4,000,000
General Liability, per occurrence	2,000,000
Fleet Insurance, single limit ($250 deductible - comprehensive)	2,000,000
($1,000 deductible - busses)	
($500 deductible - collision)	

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

Worker's Compensation

The Center pays the State Workers' Compensation System a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs. During fiscal year 2024, the Center participated in the Ohio Association of School Business Officials Ohio Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (See Note 20).

Employee Benefits

For fiscal year 2024, the Center was a participant in the Mahoning County Insurance Consortium (the "Consortium") to provide employee medical/surgical and dental benefits. The Consortium was administered by Anthem Blue Cross Blue Shield. Payments are made to the Consortium for the monthly attachment point, monthly stop-loss premiums, and administrative charges. The entire risk of loss transfers to the Consortium upon payment of the premiums.

The Center's portion of the monthly medical/surgical insurance premium is $682 for single coverage and $1,909 for family coverage for full-time employees. The Center's portion of the monthly dental insurance premium is $36 for single coverage and $86 for family coverage for fulltime employees.

Vision coverage is provided through Vision Service Plan. The Center's portion of the monthly vision insurance premiums are $32.

Claims are paid for all participants regardless of claims flow. Upon termination, all Center claims would be paid without regard to the Center's account balance or the Directors have the right to hold monies for an existing participant subsequent to the settlement of all expenses and claims.

Note 15 – Set-Asides

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

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

	Capital Improvement
Set-Aside Balances as of June 30, 2023	$0
Current Year Set-aside Requirement	161,894
Qualifying Disbursements	(1,113,336)
Totals	($951,442)
Set-Aside Balance Carried Forward to Future Fiscal Years	$0
Set-Aside Balances as of June 30, 2024	$0

While the current year offsets and qualifying disbursements during the fiscal year reduced the capital improvement set-aside amount to below zero, this amount may not be used to reduce the set-aside requirements of future fiscal years.

Note 16 – Long Term Obligations

The original issue date, interest rate, original issue amount and date of maturity of each of the Center’s long-term obligations follows:

Debt Issue	Original Issue Amount	Interest Rate	Fiscal Year of Maturity
Series 2015 General Obligation Bonds			
Term Bonds	$1,520,000	2.63 - 4.00%	2045
Series 2018 School Improvement Bonds			
Serial Bonds	1,050,000	4.00%	2033
Series 2017 Refunding Certificates of Participation			
Serial Bonds	11,510,000	3.00 - 4.00%	2037
Term Bonds	1,495,000	3.00%	2032
Series 2021 Refunding Certificates of Participation			
Serial Bonds	3,640,000	4.00%	2033
Term Bonds	3,475,000	4.00%	2041

The changes in the Center's long-term obligations during the year consist of the following:

	Principal Outstanding 7/1/23	Additions	Deductions	Principal Outstanding 6/30/24	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds:					
2015 General Obligation Bonds					
Term Bonds	$1,475,000	$0	$45,000	$1,430,000	$45,000
Premium on Bonds	66,499	0	3,093	63,406	0
Total 2015 General Obligation Bonds	1,541,499	0	48,093	1,493,406	45,000
2018 School Improvement Bonds					
Serial Bonds	790,000	0	65,000	725,000	70,000
Total General Obligation Bonds	2,331,499	0	113,093	2,218,406	115,000
Certificates of Participation:					
2017 Refunding Certificates of Participation					
Serial Bonds	8,605,000	0	615,000	7,990,000	580,000
Term Bonds	1,495,000	0	0	1,495,000	0
Premium on Bonds	462,973	0	34,295	428,678	0
Total 2017 Refunding Certificates of Participation	10,562,973	0	649,295	9,913,678	580,000
2021 Refunding Certificates of Participation					
Serial Bonds	3,060,000	0	255,000	2,805,000	265,000
Term Bonds	3,475,000	0	0	3,475,000	0
Premium on Bonds	1,187,580	0	68,845	1,118,735	0
Total 2021 Refunding Certificates of Participation	7,722,580	0	323,845	7,398,735	265,000
Total Certificates of Participation	18,285,553	0	973,140	17,312,413	845,000
Other Long Term Obligations					
Net Pension Liability:					
SERS	2,238,796	43,468	0	2,282,264	0
STRS	10,432,229	0	264,411	10,167,818	0
Total Net Pension Liability	12,671,025	43,468	264,411	12,450,082	0
Net OPEB Liability:					
SERS	562,317	90,531	0	652,848	0
Leases	62,346	0	14,893	47,453	15,346
Subscriptions	0	11,150	11,150	0	0
Compensated Absences	1,423,189	216,644	200,949	1,438,884	230,275
Total Other Long-Term Obligations	14,718,877	361,793	491,403	14,589,267	245,621
Total General Long-Term Obligations	$35,335,929	$361,793	$1,577,636	$34,120,086	$1,205,621

Compensated absences will be paid from the general fund and the food service and adult education special revenue funds. There are no repayment schedules for the net pension liability and net OPEB liability. However, employer pension and OPEB contributions are made from following funds: the general fund and the food service, adult education, and vocational education special revenue funds. For additional information related to the net pension and net OPEB liabilities see Notes 17 and 18.

On January 8, 2015, the Center issued $1,749,999 of Series 2015 General Obligation bonds, which included serial, term and capital appreciation (deep discount) bonds in the amounts of $210,000, $1,520,000 and $19,999, respectively. The term bonds remain outstanding at June 30, 2024. The bonds were issued at a premium of $92,789. The bonds were issued for the purpose of constructing, reconstructing and otherwise improving the roof of the existing career center building. The bonds will be retired from the bond retirement fund. The bonds were issued for a twenty-nine year period with a final maturity at December 1, 2044.

The term bonds maturing on December 1, 2035, 2030, 2034 and 2044 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption as follows:

	Issue			
Fiscal Year	$180,000	$260,000	$250,000	$830,000
2025	$45,000	$0	$0	$0
2027	0	50,000	0	0
2028	0	50,000	0	0
2029	0	50,000	0	0
2030	0	55,000	0	0
2032	0	0	60,000	0
2033	0	0	60,000	0
2034	0	0	65,000	0
2036	0	0	0	70,000
2037	0	0	0	70,000
2038	0	0	0	75,000
2039	0	0	0	80,000
2040	0	0	0	80,000
2041	0	0	0	85,000
2042	0	0	0	85,000
2042	0	0	0	90,000
2043	0	0	0	95,000
Total mandatory sinking fund payment:	45,000	205,000	185,000	730,000
Amount due at stated maturity	45,000	55,000	65,000	100,000
Total	$90,000	$260,000	$250,000	$830,000
Stated Maturity	12/1/2025	12/1/2030	12/1/2034	12/1/2044

On August 21, 2018, the Center issued $1,050,000 of Series 2018 School Improvement bonds. The school improvement bonds were issued for the purpose of various capital improvements. The bonds will be retired from the bond retirement fund. The bonds were issued for a fourteen year period with a final maturity at December 1, 2032.

On September 20, 2017, the Center issued $13,005,000 of Series 2017 Refunding Certificates of Participation (COPs), which included serial and term bonds in the amounts of $11,510,000 and $1,495,000, respectively. The COPs issuance included a premium of $651,590, which will be amortized over the life of the COPs. The COPs were issued to currently refund the Series 2009 Certificates of Participation in order to take advantage of lower interest rates. The certificates were issued for a nineteen year period, with a final maturity at

December 1, 2036. The certificates will be retired through the bond retirement fund. The COPs were issued through a series of lease agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. The COPs have designated to be "qualified tax exempt obligations" within the meaning of 265(b)(3) of the Ohio Revised Code. In accordance with the lease terms, the project assets are leased to the Ohio School Building Leasing Corporation, and then subleased back to the Center. Clear title to and right of possession of the leased property will transfer to the Center upon the expiration of the lease term.

The term bonds maturing on December 1, 2031 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption as follows:

Fiscal Year	$1,495,000
2031	$735,000
Amount due at stated maturity	760,000
Total	$1,495,000
Stated Maturity	12/1/2031

On September 7, 2021, the Center issued $7,115,000 of Series 2021 Refunding Certificates of Participation (COPs), which included serial and term bonds in the amounts of $3,640,000 and $3,475,000, respectively. The COPs issuance included a premium of $1,308,059, which will be amortized over the life of the COPs. The COPs were issued to currently refund the Series 2014 Certificates of Participation in order to take advantage of lower interest rates. The certificates were issued for a twenty year period, with a final maturity at December 1, 2041. The certificates will be retired through the bond retirement fund. The COPs were issued through a series of lease agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. The COPs have designated to be "qualified tax exempt obligations" within the meaning of 265(b)(3) of the Ohio Revised Code. In accordance with the lease terms, the project assets are leased to the Ohio School Building Leasing Corporation, and then subleased back to the Center. Clear title to and right of possession of the leased property will transfer to the Center upon the expiration of the lease term.

The term bonds maturing on December 1, 2034, 2036, 2038 and 2040 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption as follows:

	Issue			
Fiscal Year	$765,000	$830,000	$905,000	$975,000
2034	$375,000	$0	$0	$0
2036	0	405,000	0	0
2038	0	0	445,000	0
2040	0	0	0	480,000
Total mandatory sinking fund payment:	375,000	405,000	445,000	480,000
Amount due at stated maturity	390,000	425,000	460,000	495,000
Total	$765,000	$830,000	$905,000	$975,000
Stated Maturity	12/1/2034	12/1/2036	12/1/2038	12/1/2040

The overall debt margin of the Center as of June 30, 2024, was $507,475,514 with an unvoted debt margin of $5,662,552. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2024, are as follows:

	General Obligation Bonds			Certificates of Participation		
Fiscal Year	Serial	Term	Interest	Serial	Term	Interest
2025	$70,000	$45,000	$84,722	$845,000	$0	$561,550
2026	70,000	45,000	80,741	880,000	0	527,050
2027	75,000	50,000	76,350	915,000	0	491,150
2028	75,000	50,000	71,350	950,000	0	453,850
2029	80,000	50,000	66,350	975,000	0	415,350
2030-2034	355,000	295,000	247,450	3,655,000	1,870,000	1,501,925
2035-2039	0	360,000	146,150	2,575,000	2,125,000	540,731
2040-2044	0	435,000	66,650	0	975,000	39,300
2045	0	100,000	2,175	0	0	0
Total	$725,000	$1,430,000	$841,938	$10,795,000	$4,970,000	$4,530,906

The Center has outstanding agreements to lease copiers and also has an contract to use a SBITA vendor's IT software. The future lease/subscription payments were discounted based on the interest rate implicit in the lease/subscription or using the Center's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease/subscription. The lease will be paid from the general fund and the adult education special revenue fund. The subscription was completely paid from the general fund during fiscal year 2024. A summary of the principal and interest amounts for the remaining lease is as follows:

	Leases	
Year	Principal	Interest
2025	$15,346	$1,214
2026	15,813	747
2027	16,294	266
	$47,453	$2,227

Note 17 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 18 for the required OPEB disclosures.

School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. 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. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 2.5 percent COLA for calendar year 2023.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the Center is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2024, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The Center's contractually required contribution to SERS was $247,609 for fiscal year 2024. Of this amount $7,285 is reported as an intergovernmental payable.

State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, a one-time ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a one-time ad-hoc COLA of 1 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019. Pursuant to Ohio Revised Code 3307.67(E) the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

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

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members 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. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2024 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2024, the full employer contribution was allocated to pension.

The Center’s contractually required contribution to STRS was $939,969 for fiscal year 2024. Of this amount $132,412 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Center's proportion of the net pension liability was based on the Center's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.04130410%	0.04721546%	
Prior Measurement Date	0.04139190%	0.04692834%	
Change in Proportionate Share	-0.00008780%	0.00028712%	
Proportionate Share of the Net Pension Liability	$2,282,264	$10,167,818	$12,450,082
Pension Expense	$251,702	$766,255	$1,017,957

At June 30, 2024, the Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$98,097	$370,697	$468,794
Changes of assumptions	16,167	837,375	853,542
Changes in proportionate share and difference between Center contributions and proportionate share of contributions	13,696	46,037	59,733
Center contributions subsequent to the measurement date	247,609	939,969	1,187,578
Total Deferred Outflows of Resources	$375,569	$2,194,078	$2,569,647
Deferred Inflows of Resources			
Differences between expected and actual experience	$0	$22,563	$22,563
Changes of assumptions	0	630,303	630,303
Net difference between projected and actual earnings on pension plan investments	32,079	30,473	62,552
Changes in proportionate share and difference between Center contributions and proportionate share of contributions	3,814	303,457	307,271
Total Deferred Inflows of Resources	$35,893	$986,796	$1,022,689

$1,187,578 reported as deferred outflows of resources related to pension resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	$30,428	($205,111)	($174,683)
2026	(87,107)	(489,811)	(576,918)
2027	147,045	1,013,352	1,160,397
2028	1,701	(51,117)	(49,416)
Total	$92,067	$267,313	$359,380

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. Future benefits for all current plan members were projected through 2137.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2023, are presented below:

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

Mortality rates 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.

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 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. As of June 30, 2023:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64
Total	100.00 %	

Discount Rate The total pension liability for 2023 was calculated using the discount rate of 7.00 percent. The discount rate determination did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 21-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate for fiscal year 2023 was 14 percent. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90 percent.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Center's proportionate share of the net pension liability	$3,368,505	$2,282,264	$1,367,313

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2023, actuarial valuation are presented below:

Inflation	2.50 percent
Salary increases	From 2.5 percent to 8.5 percent based on service
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00%	6.60%
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	100.00%	

* Final target weights reflected at October 1, 2022.
** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2023.

Sensitivity of the Center's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following table presents the Center'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 Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00 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%)
Center's proportionate share of the net pension liability	$15,635,857	$10,167,818	$5,543,357

Note 18 – Defined Benefit OPEB Plans

See Note 17 for a description of the net OPEB liability (asset).

School Employees Retirement System (SERS)

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

The Health Care program is financed through a combination of employer contributions, recipient premiums, investment returns, and any funds received on behalf of SERS' participation in Medicare programs. The System's goal is to maintain a health care reserve account with a 20-year solvency period in order to ensure that fluctuations in the cost of health care do not cause an interruption in the program. However, during any period in which the 20-year solvency period is not achieved, the System shall manage the Health Care Fund on a pay-as-you-go basis.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. 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 2024, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was $30,000. 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 2024, the Center's surcharge obligation was $13,548.

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 Center's contractually required contribution to SERS was $13,548 for fiscal year 2024. Of this amount $13,548 is reported as an intergovernmental payable.

State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2024, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability (asset) was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The Center's proportion of the net OPEB liability (asset) was based on the Center's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.03962790%	0.04721546%	
Prior Measurement Date	0.04005080%	0.04692834%	
Change in Proportionate Share	-0.00042290%	0.00028712%	
Proportionate Share of the:			
Net OPEB Liability	$652,848	$0	$652,848
Net OPEB (Asset)	$0	($918,276)	($918,276)
OPEB Expense	($33,365)	($13,226)	($46,591)

At June 30, 2024, the Center reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$1,360	$1,432	$2,792
Changes of assumptions	220,747	135,275	356,022
Net difference between projected and actual earnings on OPEB plan investments	5,060	1,639	6,699
Changes in proportionate Share and difference between Center contributions and proportionate share of contributions	58,613	36,678	95,291
Center contributions subsequent to the measurement date	13,548	0	13,548
Total Deferred Outflows of Resources	$299,328	$175,024	$474,352
Deferred Inflows of Resources			
Differences between expected and actual experience	$336,698	$140,060	$476,758
Changes of assumptions	185,415	605,864	791,279
Changes in Proportionate Share and difference between Center contributions and proportionate share of contributions	44,634	1,887	46,521
Total Deferred Inflows of Resources	$566,747	$747,811	$1,314,558

$13,548 reported as deferred outflows of resources related to OPEB resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase to the net OPEB asset in the fiscal year ending June 30, 2025. 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:			
2025	($89,586)	($234,845)	($324,431)
2026	(78,378)	(123,006)	(201,384)
2027	(46,230)	(47,094)	(93,324)
2028	(29,321)	(64,130)	(93,451)
2029	(22,991)	(58,622)	(81,613)
Thereafter	(14,461)	(45,090)	(59,551)
Total	($280,967)	($572,787)	($853,754)

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2023, are presented below:

Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Fiduciary Net Position is Projected to be Depleted	2048
Municipal Bond Index Rate:	
Measurement Date	3.86 percent
Prior Measurement Date	3.69 percent
Single Equivalent Interest Rate,	
Measurement Date	4.27 percent
Prior Measurement Date	4.08 percent
Health Care Cost Trend Rate	
Medical Trend Assumption	
Measurement Date	6.75 to 4.40 percent
Prior Measurement Date	7.00 to 4.40 percent

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. Mortality rates are projected using a fully generational projection with Scale MP-2020.

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 2016 through 2020, and was adopted by the Board on April 15, 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 long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 17.

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2023, was 4.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2023, was 4.08 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 be depleted in 2048 by SERS'actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022, and the June 30, 2023, 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 was 3.86 percent at June 30, 2023, and 3.69 percent at June 30, 2022.

Sensitivity of the Center's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
Center's proportionate share of the net OPEB liability	$834,526	$652,848	$509,587

	1% Decrease (5.75% decreasing to 3.40%)	Current Trend Rate (6.75% decreasing to 4.40%)	1% Increase (7.75% decreasing to 5.40%)
Center's proportionate share of the net OPEB liability	$479,625	$652,848	$882,392

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2023, actuarial valuation compared to the prior year are presented below:

	June 30, 2023	June 30, 2022
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by service from 2.5 percent to 8.5 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 4.14 percent ultimate	7.50 percent initial 3.94 percent ultimate
Medicare	(10.94) percent initial 4.14 percent ultimate	(68.78) percent initial 3.94 percent ultimate
Prescription Drug		
Pre-Medicare	(11.95) percent initial 4.14 percent ultimate	9.00 percent initial 3.94 percent ultimate
Medicare	1.33 percent initial 4.14 percent ultimate	(5.47) percent initial 3.94 percent ultimate

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

Healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 17.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on 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, 2023. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

Sensitivity of the Center's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Center's proportionate share of the net OPEB (asset)	($777,200)	($918,276)	($1,041,137)

	1% Decrease	Current Trend Rate	1% Increase
Center's proportionate share of the net OPEB (asset)	($1,046,839)	($918,276)	($763,423)

Note 19 – Jointly Governed Organizations

Area Cooperative Computerized Educational Service System Council of Governments

The Area Cooperative Computerized Educational Service System (ACCESS) Council of Governments is a computer network which provides data services to twenty-three school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools supports ACCESS based upon a per pupil charge before any e-rate credits. The Center paid $26,229 to ACCESS during fiscal year 2024. ACCESS is governed by an assembly consisting of the superintendents or other designees of the member school districts. The assembly exercises total control over the operation of ACCESS including budgeting, appropriating, contracting and designating management. The degree of control exercised by any participating school district is limited to its representation on the Board. All of ACCESS revenues are generated from charges for services and State funding. Financial information can be obtained by contacting the Treasurer of the Access Council of Governments, 493 Bev Road, Unit 1, Boardman, Ohio 44514.

Mahoning Area Consortium (MAC) Tech Prep

The Mahoning Area Consortium Tech Prep (Consortium) works with participating area high schools and Youngstown State University to create seamless college prep career-technical education programs that begin in the junior year of high school and continue through an associate or bachelor's degree program. College Technical Preparatory programs stress mathematics, science, communications and technology. All of the Consortium revenues are from State and Federal grants. The Consortium is governed by an executive committee consisting of the superintendents of the participating school districts, the President or designee of Youngstown State University and representatives of business or industry. The committee exercises total control over the operation of the Consortium, including budgeting, appropriating, contracting and designating management.

Ohio Schools Council Association

The Ohio Schools Council (Council) is a jointly governed organization among 302 members. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the

Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2024, the Center paid $5,000 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The Center participates in the P4S (Power4Schools) program, a partnership between BASA, OASBO, OSBA and the OSC. P4S has 172 members in the Ohio Edison, The Illuminating Company, Toledo Edison, Duke Energy and AEP Ohio Power service areas. P4S members purchase electricity at reduced rates, Engie resources is the current supplier through June 2025.

Note 20 – Public Entity Risk Pools

Insurance Purchasing Pool

Ohio Association of School Business Officials Ohio Workers' Compensation Group Rating Program The Center participates in the Ohio Association of School Business Officials Ohio Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. Each year, the participating school districts pay an enrollment fee to the GRP to cover the cost of administering the program. Sheakley UniService, Inc. is the third party administrator for the program.

Ohio School Plan The Center participates in the Ohio School Plan (OSP), an insurance purchasing pool. The OSP is created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to provide for a formalized, joint insurance purchasing program to maintain adequate insurance protection, risk management programs and other administrative services. The OSP's business and affairs are conducted by a ten member Board of directors consisting of school district superintendents and treasurers. Hylant Administrative Services, Inc. is the Administrator of the OSP and is responsible for processing claims.

Shared Risk Pool

Mahoning County School Employees Insurance Consortium The Center participates in the Mahoning County Schools Employees Insurance Consortium (Consortium). This is a shared risk pool composed of twelve Mahoning County school districts. The Consortium is governed by an assembly which consists of one representative from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve as the Board of Directors. The assembly exercises control over the operation of the Consortium. Consortium revenues are generated from charges for services.

Note 21 – Significant Commitments

Encumbrances

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

Governmental Funds	
General	$544,781
Career Technical Construction	1,205,217
Other Governmental Funds	1,928,934
Total	$3,678,932

Contractual Commitments

At June 30, 2024, the Center's significant contractual commitments consisted of the following:

Vendor	Contract Amount	Amount Paid	Remaining on Contract
Team 8e Architecture	$750,000	$172,500	$577,500
Myers Equipment Corporation	144,906	0	144,906
Jacco and Associates, Inc.	2,354,909	760,908	1,594,001
Total	$3,249,815	$933,408	$2,316,407

All of the remaining commitment amounts were encumbered at year end. The amount of $162,000 in contracts payable has been capitalized.

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. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During fiscal year 2024, the Center received COVID-19 funding. The Center will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

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Required Supplementary Information

Mahoning County Career and Technical Center
Required Supplementary Information
Schedule of the Center's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
Center's Proportion of the Net Pension Liability	0.04130410%	0.04139190%	0.04064160%	0.03900840%
Center's Proportionate Share of the Net Pension Liability	$2,282,264	$2,238,796	$1,499,557	$2,580,098
Center's Covered Payroll	$1,639,650	$1,545,221	$1,402,843	$1,367,550
Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	139.19%	144.89%	106.89%	188.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.06%	75.82%	82.86%	68.55%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
0.03816680%	0.03749620%	0.03708240%	0.03947230%	0.04123090%	0.04050300%
$2,283,587	$2,147,477	$2,215,591	$2,889,008	$2,352,676	$2,049,834
$1,345,037	$1,368,052	$1,232,843	$1,273,229	$1,287,350	$1,228,521
169.78%	156.97%	179.71%	226.90%	182.75%	166.85%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%

Mahoning County Career and Technical Center
Required Supplementary Information
Schedule of the Center's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
Last Eight Fiscal Years (1)

	2024	2023	2022
Center's Proportion of the Net OPEB Liability	0.03962790%	0.04005080%	0.03881580%
Center's Proportionate Share of the Net OPEB Liability	$652,848	$562,317	$734,621
Center's Covered Payroll	$1,639,650	$1,545,221	$1,402,843
Center's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	39.82%	36.39%	52.37%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.02%	30.34%	24.08%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information

2021	2020	2019	2018	2017
0.03729580%	0.03698890%	0.03629500%	0.03589460%	0.03589460%
$810,560	$930,193	$1,006,921	$963,317	$1,023,129
$1,367,550	$1,345,037	$1,368,052	$1,232,843	$1,273,229
59.27%	69.16%	73.60%	78.14%	80.36%
18.17%	15.57%	13.57%	12.46%	11.49%

Mahoning County Career and Technical Center
Required Supplementary Information
Schedule of the Center's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
Center's Proportion of the Net Pension Liability	0.04721546%	0.04692834%	0.04869156%	0.05015386%
Center's Proportionate Share of the Net Pension Liability	$10,167,818	$10,432,229	$6,225,654	$12,135,450
Center's Covered Payroll	$6,384,271	$6,100,907	$6,008,221	$6,052,786
Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.26%	170.99%	103.62%	200.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.00%	78.90%	87.80%	75.50%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
0.04936407%	0.04868067%	0.04301804%	0.04307153%	0.04494611%	0.04694917%
$10,916,567	$10,703,786	$10,219,028	$14,417,339	$12,421,790	$11,419,663
$5,907,357	$5,583,421	$4,836,937	$4,661,703	$4,796,286	$4,954,837
184.80%	191.71%	211.27%	309.27%	258.99%	230.48%
77.40%	77.30%	75.30%	66.80%	72.10%	74.70%

Mahoning County Career and Technical Center

Required Supplementary Information

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

State Teachers Retirement System of Ohio

Last Eight Fiscal Years (1)

	2024	2023	2022
Center's Proportion of the Net OPEB Asset/Liability	0.04721546%	0.04692834%	0.04869156%
Center's Proportionate Share of the Net OPEB (Asset) Liability	($918,276)	($1,215,131)	($1,026,622)
Center's Covered Payroll	$6,384,271	$6,100,907	$6,008,221
Center's Proportionate Share of the Net OPEB (Asset) Liability as a Percentage of its Covered Payroll	-14.38%	-19.92%	-17.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	168.50%	230.70%	174.70%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information

2021	2020	2019	2018	2017
0.05015386%	0.04936407%	0.04868067%	0.04301804%	0.04307153%
($881,453)	($817,587)	($782,249)	$1,678,405	$2,300,616
$6,052,786	$5,907,357	$5,583,421	$4,836,937	$4,661,703
-14.56%	-13.84%	-14.01%	34.70%	49.35%
182.10%	174.70%	176.00%	47.10%	37.30%

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

	2024	2023	2022	2021
Net Pension Liability				
Contractually Required Contribution	$247,609	$229,551	$216,331	$196,398
Contributions in Relation to the Contractually Required Contribution	(247,609)	(229,551)	(216,331)	(196,398)
Contribution Deficiency (Excess)	$0	$0	$0	$0
Center Covered Payroll (1)	$1,768,636	$1,639,650	$1,545,221	$1,402,843
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution (2)	$13,548	$13,462	$14,531	$10,664
Contributions in Relation to the Contractually Required Contribution	(13,548)	(13,462)	(14,531)	(10,664)
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Covered Payroll	0.77%	0.82%	0.94%	0.76%
Total Contributions as a Percentage of Covered Payroll (2)	14.77%	14.82%	14.94%	14.76%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
$191,457	$181,580	$184,687	$172,598	$178,252	$169,158
(191,457)	(181,580)	(184,687)	(172,598)	(178,252)	(169,158)
$0	$0	$0	$0	$0	$0
$1,367,550	$1,345,037	$1,368,052	$1,232,843	$1,273,229	$1,287,350
14.00%	13.50%	13.50%	14.00%	14.00%	13.14%
$8,904	$18,940	$11,859	$11,536	$8,727	$24,185
(8,904)	(18,940)	(11,859)	(11,536)	(8,727)	(24,185)
$0	$0	$0	$0	$0	$0
0.65%	1.41%	0.87%	0.94%	0.69%	1.88%
14.65%	14.91%	14.37%	14.94%	14.69%	15.02%

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

	2024	2023	2022	2021
Net Pension Liability				
Contractually Required Contribution	$939,969	$893,798	$854,127	$841,151
Contributions in Relation to the Contractually Required Contribution	(939,969)	(893,798)	(854,127)	(841,151)
Contribution Deficiency (Excess)	$0	$0	$0	$0
Center Covered Payroll	$6,714,064	$6,384,271	$6,100,907	$6,008,221
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

Net OPEB Liability (1)

(1) Although the covered payroll for the net OPEB liability is the same as the net pension liability, there were no OPEB related required contributions for 2015-2024, STRS did not allocate any employer contributions to postemployment health care; therefore, there is no required supplementary information to present related to the statutorily established employer contribution requirements for the net OPEB liability.

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
$847,390	$827,030	$781,679	$677,171	$652,638	$671,480
(847,390)	(827,030)	(781,679)	(677,171)	(652,638)	(671,480)
$0	$0	$0	$0	$0	$0
$6,052,786	$5,907,357	$5,583,421	$4,836,937	$4,661,703	$4,796,286
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Net Pension Liability

Changes in Benefit Terms/Assumptions – SERS

Beginning in fiscal year 2018, on each anniversary of the initial retirement, the allowance of all retirees and survivors may be increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0 percent nor greater than 2.5 percent. The COLA was suspended for 2018-2020. Prior to 2018, an assumption of 3 percent was used. For 2021, the cost-of living adjustment was reduced from 2.5 percent to 2 percent. For 2023 and 2024, the cost-of-living adjustment was increased from 2 percent to 2.5 percent.

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

	Fiscal Year 2022	Fiscal Years 2021-2017	Fiscal Year 2016 and Prior
Wage Inflation	2.4 percent	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.0 percent net of system expenses	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Beginning in 2022, amounts reported use mortality rates 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.

Amounts report for 2017 through 2021 use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

Changes in Assumptions - STRS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal years 2018-2021 and fiscal year 2017 and prior are presented below:

	Fiscal Year 2022	Fiscal Years 2021-2018	Fiscal Year 2017 and Prior
Inflation	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	Varies by Service from 2.5 percent to 8.5 percent	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	See Below	See Below	See Below
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustment (COLA)	0.0 percent, effective July 1, 2017	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring after August 1, 2013, or later, COLA commences on fifth anniversary of retirement date.

Investment rate of return:

Fiscal Years 2022 through 2024	7.00 percent, net of investment expenses, including inflation
Fiscal Years 2018 through 2021	7.45 percent, net of investment expenses, including inflation
Fiscal Year 2017 and prior	7.75 percent, net of investment expenses, including inflation

Beginning with fiscal year 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

Changes in Benefit Term – STRS

For 2024, demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015, through June 30, 2021.

For fiscal year 2023, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient's retirement date for those eligible during fiscal year 2023 and eliminated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

Net OPEB Liability (Asset)

Changes in Assumptions – SERS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by SERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2021 and prior are presented below:

	2022	2021 and Prior
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

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

Municipal Bond Index Rate:	
Fiscal year 2024	3.86 percent
Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Fiscal year 2024	4.27 percent
Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Changes in Assumptions – STRS

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

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

For fiscal year 2022, the discount rate was decreased from 7.45 percent to the long-term expected rate of return of 7.00.

For fiscal year 2023, the projected salary increases were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

Changes in Benefit Terms – STRS

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

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

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

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

For fiscal year 2022, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2022, premium based on June 30, 2021, enrollment distribution. 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.

For fiscal year 2023, healthcare trends were updated to reflect emerging claims and recoveries experience.

For fiscal year 2024, healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024.

Mahoning County Career & Technical Center

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education and Workforce			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution)			
National School Lunch Program	10.555	006	$ 46,104
Cash Assistance			
School Breakfast Program	10.553	006	57,021
National School Lunch Program	10.555	006	287,767
Total Child Nutrition Cluster			390,892
Total U.S. Department of Agriculture			390,892
U.S. DEPARTMENT OF EDUCATION			
Direct Program			
Student Financial Assistance Cluster:			
Federal Pell Grant Program	84.063	535-9024	60,915
Federal Direct Student Loans	84.268	022-9124	60,550
Total Student Financial Assistance Cluster:			121,465
Passed Through Ohio Department of Education and Workforce			
Career and Technical Education - Basic Grants to States	84.048	524-923Q	478,432
COVID-19 Governor's Emergency Education Relief (GEER I and II) Fund	84.425C	508-9024	28,331
COVID-19 American Rescue Plan Homeless Targeted Support Grant	84.425W	507-9023	7,849
Total American Rescue Plan Act Funds:			36,180
Total U.S. Department of Education			636,077
U.S. DEPARTMENT OF TREASURY			
Passed Through Ohio Department of Education and Workforce			
Coronavirus State and Local Fiscal Recovery Funds			
COVID-19 Coronavirus Relief Funds	21.019	599-9323	420,960
Total U.S. Department of Treasury			420,960
U.S. DEPARTMENT OF VETERANS AFFAIRS			
Passed Through Ohio Department of Veterans Services			
Post 9/11 Veteran Educational Assistance	64.027	599.9624	32
Total U.S. Department of Veteran Affairs			32
Total Expenditures of Federal Awards			$ 1,447,961

The accompanying notes are an integral part of this schedule.

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Mahoning County Career & Technical Center (the Center) under programs of the federal government for the year ended June 30, 2024. 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 Center, it is not intended to and does not present the financial position or changes in net position of the Center.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

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

Mahoning County Career and Technical Center
Mahoning County
7300 North Palmyra Road
Canfield, Ohio 44406

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mahoning County Career and Technical Center, Mahoning County, Ohio (the Center) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements and have issued our report thereon dated January 15, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center'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 Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BHM CPA Group

BHM CPA Group Inc.
Portsmouth, Ohio
January 15, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Mahoning County Career and Technical Center
Mahoning County
7300 North Palmyra Road
Canfield, Ohio 44406

To the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mahoning County Career and Technical Center', Mahoning County, (Center) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Mahoning County Career and Technical Center's major federal programs for the year ended June 30, 2024. Mahoning County Career and Technical Center's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Mahoning County Career and Technical Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

The Center's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Center'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 Center'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 Center'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 Center'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 Center'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 Center's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
January 15, 2025

Mahoning County Career Technical Center
Schedule of Findings
2 CFR § 200.515
June 30, 2024

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any other significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Program's Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Child Nutrition Cluster: LA 10.553, and 10.555 Coronavirus State and Local Fiscal Recovery Funds: LA 21.019
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CRF § 200.520?**	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE
KEITH FABER

MAHONING COUNTY CAREER AND TECHNICAL CENTER

MAHONING COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 5/8/2025

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