OHIO AUDITOR OF STATE
KEITH FABER

GALLIA-JACKSON-VINTON JOINT VOCATIONAL SCHOOL DISTRICT
GALLIA COUNTY
JUNE 30, 2023

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GALLIA COUNTY
JUNE 30, 2023

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Gallia-Jackson-Vinton Joint Vocational School District
Gallia County
P.O. Box 157
Rio Grande, Ohio 45674

To the Board of Education:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gallia-Jackson-Vinton Joint Vocational School District, Gallia County, Ohio (the School District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gallia-Jackson-Vinton Joint Vocational School District, Gallia County, Ohio as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows 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 School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, 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 School District's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2024, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

March 14, 2024

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The discussion and analysis of the Gallia-Jackson-Vinton Joint Vocational School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for the fiscal year 2023 are as follows:

- In total, net position decreased $41,076. Net position of governmental activities increased $428,353; net position of the business-type activity decreased $469,429 from 2022.

- For governmental activities, general revenues accounted for $11,766,327 in revenues or 73.6% of all revenues for governmental activities. Program specific revenues in the form of charges for services and sales and grants, contributions, and interest accounted for $4,225,513 or 26.4% of total revenues of $15,991,840.

- The School District had $15,563,487 in expenses related to governmental activities; only $4,225,513 of these expenses were offset by program specific charges for services and sales, grants, contributions, and interest. General revenues (primarily taxes and intergovernmental) of $11,766,327 were adequate to cover the remaining expenses. The business-type activity had $3,937,856 in expenses; program specific revenue in the amount of $3,422,488 were not adequate to cover these expenses.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Gallia-Jackson-Vinton Joint Vocational School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions.

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

Reporting the School District as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the large number of funds used by the School District to provide programs and activities for students, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's Net Position and changes in those assets. This change in Net Position is important because it tells the reader that, for the School District as a whole, the financial position of the School District 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 School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 10. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multiple of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund and the Permanent Improvements Capital Projects Fund. The School District's only major business-type activity fund is the Adult Education Enterprise Fund.

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end 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 School District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities (adult education and rotary services); therefore, these statements will essentially match.

THE SCHOOL DISTRICT AS A WHOLE

Recall that the Statement of net position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2023 compared to 2022.

Table 1
Net Position

	Governmental Activities		Business-Type Activity		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	$16,827,606	$15,901,049	$2,099,163	$2,348,804	$18,926,769	$18,249,853
Capital Assets	17,981,264	18,254,433	190,548	144,714	18,171,812	18,399,147
Net OPEB Asset	993,891	790,468	296,877	222,951	1,290,768	1,013,419
Total Assets	35,802,761	34,945,950	2,586,588	2,716,469	38,389,349	37,662,419
Deferred Outflows of Resources						
Pension	2,712,341	3,047,198	1,196,000	1,265,010	3,908,341	4,312,208
OPEB	356,947	459,346	125,630	164,143	482,577	623,489
Total Deferred Outflows of Resources	3,069,288	3,506,544	1,321,630	1,429,153	4,390,918	4,935,697
Liabilities						
Current and Other Liabilitites	1,095,663	1,187,787	230,734	141,620	1,326,397	1,329,407
Long-term Liabilities:						
Due Within One Year	34,984	204,000	0	0	34,984	204,000
Due in More than One Year:						
Net Pension Liability	10,402,735	6,179,955	2,878,750	1,577,719	13,281,485	7,757,674
Net OPEB Liability	468,987	711,132	82,764	115,767	551,751	826,899
Other Amounts	565,859	639,592	35,359	29,404	601,218	668,996
Total Liabilities	12,568,228	8,922,466	3,227,607	1,864,510	15,795,835	10,786,976
Deferred Inflows of Resources						
Property Taxes	4,096,558	3,862,057		0	4,096,558	3,862,057
Pension	1,257,098	5,265,761	307,514	1,458,576	1,564,612	6,724,337
OPEB	1,527,910	1,408,308	399,692	379,702	1,927,602	1,788,010
Total Deferred Inflows of Resources	6,881,566	10,536,126	707,206	1,838,278	7,588,772	12,374,404
Net Position						
Net Investment in Capital Assets	17,981,264	18,007,633	190,548	144,714	18,171,812	18,152,347
Restricted	854,151	1,158,822	56,142	0	910,293	1,158,822
Unrestricted (Deficits)	586,840	(172,553)	(273,285)	298,120	313,555	125,567
Total Net Position	$19,422,255	$18,993,902	($26,595)	$442,834	$19,395,660	$19,436,736

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2023. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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.

Total assets increased $727,569; governmental assets increased $856,811 and the business-type assets decreased $129,242. The increase in governmental assets is mainly due to an increase in property taxes receivables, and equity in pooled cash and cash equivalents.

Total liabilities increased $5,438,926, with governmental liabilities increasing $3,645,762 and the business-type activity liabilities increasing $1,363,097. The increase in governmental liabilities and business-type liabilities is mainly due to the increase in the net pension liability of $4,222,780 and $1,301,031, respectively.

Table 2 shows the changes in net position for the fiscal year ended June 30, 2023, compared to changes in net position for the fiscal year ended June 30, 2022.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activity		Total	
Revenues	2023	2022	2023	2022	2023	2022
Program Revenues:						
Charges for Services and Sales	$70,032	$215,587	$2,013,453	$2,435,964	$2,083,485	$2,651,551
Operating Grants and Contributions	4,155,481	4,406,990	1,409,035	1,425,250	5,564,516	5,832,240
Total Program Revenues	4,225,513	4,622,577	3,422,488	3,861,214	7,648,001	8,483,791
General Revenues:						
Property Taxes	4,032,997	3,568,546	0	0	4,032,997	3,568,546
Grants and Entitlements	7,262,073	6,430,366	0	0	7,262,073	6,430,366
Interest	225,915	45,357	0	0	225,915	45,357
Contributions and Donations	800	25,510	0	0	800	25,510
Miscellaneous	244,542	59,686	45,939	18,392	290,481	78,078
Total General Revenues	11,766,327	10,129,465	45,939	18,392	11,812,266	10,147,857
Total Revenues	15,991,840	14,752,042	3,468,427	3,879,606	19,460,267	18,631,648
Program Expenses						
Instruction:						
Regular	211,276	28,273	0	0	211,276	28,273
Special	429,342	491,315	0	0	429,342	491,315
Vocational	7,877,267	7,112,898	0	0	7,877,267	7,112,898
Adult/Continuing	689,297	1,436,279	0	0	689,297	1,436,279
Support Services:						
Pupils	1,343,361	810,922	0	0	1,343,361	810,922
Instructional Staff	1,040,393	976,496	0	0	1,040,393	976,496
Board of Education	218,247	189,475	0	0	218,247	189,475
Administration	870,196	729,771	0	0	870,196	729,771
Fiscal	549,248	514,927	0	0	549,248	514,927
Business	62,230	14,586	0	0	62,230	14,586
Operation and Maintenance of Plant	1,616,945	1,516,214	0	0	1,616,945	1,516,214
Pupil Transportation	50,163	25,348	0	0	50,163	25,348
Central	212,244	206,472	0	0	212,244	206,472
Operation of Non-Instructional Services:						
Food Service Operations	380,678	384,648	0	0	380,678	384,648
Other	2,245	0	0	0	2,245	0
Extracurricular Activities	7,204	9,668	0	0	7,204	9,668
Interest and Fiscal Charges	3,151	7,884	0	0	3,151	7,884
Adult Education	0	0	3,937,856	3,554,822	3,937,856	3,554,822
Total Expenses	15,563,487	14,455,176	3,937,856	3,554,822	19,501,343	18,009,998
Change in Net Position	428,353	296,866	(469,429)	324,784	(41,076)	621,650
Net Position at Beginning of Year	18,993,902	18,697,036	442,834	118,050	19,436,736	18,815,086
Net Position at End of Year	$19,422,255	$18,993,902	($26,595)	$442,834	$19,395,660	$19,436,736

Governmental Activities

Net position of the School District's governmental activities increased $428,353 in fiscal year 2023. Total governmental expenses of $15,563,487 were under the program revenues of $4,225,513 and general revenues of $11,766,327.

The increase in general revenues is largely due to in increase in property taxes and grants and entitlements. Program expenses also increased during 2023, mainly due to increased support service expenditures.

Business-Type Activity

The business-type activity involves the School District's adult education program. This program had revenues of $3,468,427 and expenses of $3,937,856 for fiscal year 2023. Total business-type revenues decreased mainly due to a decrease in program revenues.

Table 3 shows the total cost of services and the net cost of services for fiscal year 2023 compared to fiscal year 2022. That is, it identifies the cost of those services supported by tax revenue and unrestricted State entitlements.

Table 3
Governmental Activities

	2023 Total Cost of Services	2023 Net Cost of Services	2022 Total Cost of Services	2022 Net Cost of Services
Program Expenses				
Instruction:				
Regular	$211,276	($211,276)	$28,273	$28,273
Special	429,342	(160,486)	491,315	(66,162)
Vocational	7,877,267	(5,681,407)	7,112,898	5,395,139
Adult/Continuing	689,297	(70,908)	1,436,279	32,939
Support Services:				
Pupils	1,343,361	(736,257)	810,922	498,603
Instructional Staff	1,040,393	(889,146)	976,496	883,810
Board of Education	218,247	(218,247)	189,475	189,475
Administration	870,196	(716,658)	729,771	612,143
Fiscal	549,248	(549,248)	514,927	514,927
Business	62,230	(62,230)	14,586	14,586
Operation and Maintenance of Plant	1,616,945	(1,616,945)	1,516,214	1,451,304
Pupil Transportation	50,163	(50,163)	25,348	25,348
Central	212,244	(211,985)	206,472	206,406
Non-Instructional Services:				
Food Service Operations	380,678	(150,418)	384,648	28,256
Other	2,245	(2,245)	0	0
Extracurricular Activities	7,204	(7,204)	9,668	9,668
Interest and Fiscal Charges	3,151	(3,151)	7,884	7,884
Totals	$15,563,487	($11,337,974)	$14,455,176	$9,832,599

As you can see, the reliance upon local tax revenues for governmental activities is crucial. 25.9 percent of expenses are directly supported by local property taxes. Grants and entitlements not restricted to specific programs supported 47.3 percent of expenses. The dependence upon tax revenues and State subsidies for governmental activities is apparent. For fiscal year 2023, approximately 72.8 percent of all activities were supported through taxes and other general revenues.

THE SCHOOL DISTRICT FUNDS

The School District's governmental funds reported a combined fund balance of $11,135,466, an increase of $725,945 from fiscal year 2022. All governmental funds had total revenues of $15,923,276 and expenditures of $15,197,331.

The School District's funds are accounted for using the modified accrual basis of accounting. The General Fund's increase of $1,179,488 is due primarily to an increase in property tax and intergovernmental revenues.

The Permanent Improvements Fund's increase of $178,221 is due to the decrease in operation and maintenance of plant disbursements.

General Fund Budgeting Highlights

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

During the course of fiscal 2023, the School District amended its General Fund estimated revenues and appropriations numerous times. The School District uses a modified site-based budgeting technique which is designed to tightly control total site budgets but provide flexibility for site management.

For the General Fund, the final revenue estimate was $12,831,270, which represented an increase of $726,005 from original estimates of $12,105,265. The final expenditure estimate of $11,482,643 represented a $2,384,520 decrease from the original estimates of $13,867,163.

The School District's ending unobligated General Fund balance was $5,932,737.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2023, the School District had $18,171,812 invested in capital assets. Table 4 shows fiscal year 2023 balances compared to 2022.

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

	Governmental Activities		Business-Type Activity		Total	
	2023	2022	2023	2022	2023	2022
Land	$136,702	$136,702	$0	$0	$136,702	$136,702
Construction in Progress	0	0	53,062	0	53,062	0
Land Improvements	238,685	259,682	0	0	238,685	259,682
Buildings and Improvements	15,662,967	16,179,970	0	0	15,662,967	16,179,970
Furniture and Equipment	1,869,231	1,583,310	137,486	144,714	2,006,717	1,728,024
Vehicles	73,679	94,769	0	0	73,679	94,769
Totals	$17,981,264	$18,254,433	$190,548	$144,714	$18,171,812	$18,399,147

For additional information on capital assets, see Note 12 to the basic financial statements.

Debt

At June 30, 2023, the School District had no outstanding debt obligations. For additional information on the retired debt during the fiscal year, see Note 17 to the basic financial statements.

CURRENT ISSUES

The financial future of the School District is not without its challenges. These challenges are external and internal in nature. The internal challenges will continue to exist, as the School District must rely heavily on local property taxes. Management must diligently plan expenses from the modest growth attained, staying carefully within its five-year forecast. Additional revenues from what was estimated must not be treated as a windfall to expand programs but as an opportunity to extend the time horizon of the five-year forecast.

Externally, the School District is largely dependent on State funding sources (approximately 71.4 percent of the School District's operating funds come from State foundation payments and other entitlements). State foundation revenue is fundamentally a function of student enrollment and a school district's property tax wealth. However, for the next two years, the Fair School Funding Plan will be phase in.

Considered a mid-wealth school district, the Gallia-Jackson-Vinton Joint Vocational School District is financially stable and has been over the past several years. As indicated in the preceding financial information, the School District is dependent upon property taxes and State funding. State funding does not increase solely as a result of inflation. Therefore, in the long-term, the current program and staffing levels will be dependent on increased funding from property taxes to meet inflation. Careful financial planning has permitted the School District to provide a quality education for our students.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions or need additional information, contact Stephanie Rife, Treasurer at Gallia-Jackson-Vinton Joint Vocational School District, P.O. Box 157, Rio Grande, Ohio 45674.

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activity	Total*
Assets			
Equity in Pooled Cash and Cash Equivalents	$11,750,740	$1,939,280	$13,690,020
Accrued Interest Receivable	55	0	55
Accounts Receivable	20,751	1,207	21,958
Intergovernmental Receivable	298,213	158,600	456,813
Materials and Supplies Inventory	15,902	0	15,902
Inventory Held for Resale	13,988	0	13,988
Interfund Balances	639	(639)	0
Property Taxes Receivable	4,628,990	0	4,628,990
Prepaid Items	98,328	715	99,043
Nondepreciable Capital Assets	136,702	53,062	189,764
Depreciable Capital Assets, Net	17,844,562	137,486	17,982,048
Net OPEB Asset	993,891	296,877	1,290,768
Total Assets	35,802,761	2,586,588	38,389,349
Deferred Outflows of Resources			
Pension	2,712,341	1,196,000	3,588,604
OPEB	356,947	125,630	395,626
Total Deferred Outflows of Resources	3,069,288	1,321,630	3,984,230
Liabilities			
Accounts Payable	147,052	45,270	192,322
Accrued Wages and Benefits Payable	766,698	126,137	892,835
Intergovernmental Payable	63,333	46,489	109,822
Matured Compensated Absences Payable	27,281	0	27,281
Accrued Vacation Leave Payable	91,299	12,838	104,137
Long-Term Liabilities:			
Due within One Year	34,984	0	34,984
Due in More than One Year:			
Net Pension Liability	10,402,735	2,878,750	13,281,485
Net OPEB Liability	468,987	82,764	551,751
Other Amounts Due in More Than One Year	565,859	35,359	601,218
Total Liabilities	12,568,228	3,227,607	15,795,835
Deferred Inflows of Resources			
Property Taxes not Levied to Finance Current Year Operations	4,096,558	0	4,096,558
Pension	1,257,098	307,514	1,244,875
OPEB	1,527,910	399,692	1,840,651
Total Deferred Inflows of Resources	6,881,566	707,206	7,182,084
Net Position			
Investment in Capital Assets	17,981,264	190,548	18,171,812
Restricted for:			
Classroom Facilities	584,999	0	584,999
Federal Grants	42,514	0	42,514
Pension/OPEB	226,638	56,142	282,780
Unrestricted (Deficit)	586,840	(273,285)	313,555
Total Net Position (Deficit)	$19,422,255	($26,595)	$19,395,660

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

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2023

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions, and Interest	Governmental Activities	Business-Type Activity	Total
Governmental Activities						
Instruction:						
Regular	$211,276	$0	$0	($211,276)	$0	($211,276)
Special	429,342	1,287	267,569	(160,486)	0	(160,486)
Vocational	7,877,267	56,279	2,139,581	(5,681,407)	0	(5,681,407)
Adult/Continuing	689,297	0	618,389	(70,908)	0	(70,908)
Support Services:						
Pupils	1,343,361	0	607,104	(736,257)	0	(736,257)
Instructional Staff	1,040,393	0	151,247	(889,146)	0	(889,146)
Board of Education	218,247	0	0	(218,247)	0	(218,247)
Administration	870,196	868	152,670	(716,658)	0	(716,658)
Fiscal	549,248	0	0	(549,248)	0	(549,248)
Business	62,230	0	0	(62,230)	0	(62,230)
Operation and Maintenance of Plant	1,616,945	0	0	(1,616,945)	0	(1,616,945)
Pupil Transportation	50,163	0	0	(50,163)	0	(50,163)
Central	212,244	0	259	(211,985)	0	(211,985)
Operation of Non-Instructional Services:						
Food Service Operations	380,678	11,598	218,662	(150,418)	0	(150,418)
Community Services	2,245	0	0	(2,245)	0	(2,245)
Extracurricular Activities	7,204	0	0	(7,204)	0	(7,204)
Interest and Fiscal Charges	3,151	0	0	(3,151)	0	(3,151)
Total Governmental Activities	15,563,487	70,032	4,155,481	(11,337,974)	0	(11,337,974)
Business-Type Activity						
Adult Education	3,937,856	2,013,453	1,409,035	0	(515,368)	(515,368)
Totals	$19,501,343	$2,083,485	$5,564,516	(11,337,974)	(515,368)	(11,853,342)
	General Revenues					
	Property Taxes Levied for General Purposes			4,032,997	0	4,032,997
	Grants and Entitlements not Restricted to Specific Programs			7,262,073	0	7,262,073
	Investment Earnings/Interest			225,915	0	225,915
	Gifts and Donations			800	0	800
	Miscellaneous			244,542	45,939	290,481
	Total General Revenues			11,766,327	45,939	11,812,266
	Change in Net Position			428,353	(469,429)	(41,076)
	Net Position at Beginning of Year			18,993,902	442,834	19,436,736
	Net Position (Deficit) at End of Year			$19,422,255	($26,595)	$19,395,660

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Balance Sheet
Governmental Funds
June 30, 2023

	General	Permanent Improvements	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	$6,413,372	$3,377,162	$1,960,206	$11,750,740
Receivables:				
Accrued Interest	55	0	0	55
Accounts	20,751	0	0	20,751
Intergovernmental	12,000	0	286,213	298,213
Interfund	395,090	0	0	395,090
Taxes	4,628,990	0	0	4,628,990
Materials and Supplies Inventory	13,297	0	2,605	15,902
Inventory Held for Resale	0	0	13,988	13,988
Prepaid Items	64,730	0	33,598	98,328
Total Assets	$11,548,285	$3,377,162	$2,296,610	$17,222,057
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	$136,097	$3,600	$7,355	$147,052
Accrued Wages and Benefits Payable	647,764	0	118,934	766,698
Intergovernmental Payable	51,630	0	11,703	63,333
Matured Compensated Absences	27,281	0	0	27,281
Interfund Payable	0	0	394,451	394,451
Total Liabilities	862,772	3,600	532,443	1,398,815
Deferred Inflows of Resources				
Property Taxes	4,096,558	0	0	4,096,558
Unavailable Revenue	330,194	0	261,024	591,218
Total Deferred Inflows of Resources	4,426,752	0	261,024	4,687,776
Fund Balances				
Nonspendable	78,027	0	36,203	114,230
Restricted	0	0	553,250	553,250
Committed	439	33,179	0	33,618
Assigned	6,236,959	3,340,383	1,294,600	10,871,942
Unassigned (Deficit)	(56,664)	0	(380,910)	(437,574)
Total Fund Balances	6,258,761	3,373,562	1,503,143	11,135,466
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$11,548,285	$3,377,162	$2,296,610	$17,222,057

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio

Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
June 30, 2023

Total Governmental Fund Balances		$11,135,466
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		17,981,264
Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the funds:		
Delinquent Property Taxes	312,535	
Tuition and Fees	17,659	
Intergovernmental Revenues	261,024	591,218
The net pension liability, net OPEB liability, and net OPEB asset is is not due and payable in the current period; therefore, the liabilities, asset, and related deferred inflows/outflows are not reported in the funds:		
Deferred Outflows - Pension	2,712,341	
Deferred Outflows - OPEB	356,947	
Deferred Inflows - Pension	(1,257,098)	
Deferred Inflows - OPEB	(1,527,910)	
Net Pension Liability	(10,402,735)	
Net OPEB Asset	993,891	
Net OPEB Liability	(468,987)	(9,593,551)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Sick Leave Benefits Payable	(600,843)	
Accrued Vacation Leave Payable	(91,299)	(692,142)
Net Position of Governmental Activities		$19,422,255

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	General	Permanent Improvements	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	$4,151,165	$0	$0	$4,151,165
Intergovernmental	8,496,645	0	2,712,187	11,208,832
Investment Earnings/Interest	225,915	0	59	225,974
Tuition and Fees	58,879	0	0	58,879
Customer Sales and Services	19,815	0	13,081	32,896
Rent	188	0	0	188
Gifts and Donations	800	0	0	800
Miscellaneous	142,123	100,000	2,419	244,542
Total Revenues	13,095,530	100,000	2,727,746	15,923,276
Expenditures				
Current:				
Instruction:				
Regular	211,276	0	0	211,276
Special	0	0	417,911	417,911
Vocational	6,595,090	0	932,570	7,527,660
Adult/Continuing	0	0	634,070	634,070
Support Services:				
Pupils	481,560	0	792,557	1,274,117
Instructional Staff	786,255	0	165,286	951,541
Board of Education	174,933	0	0	174,933
Administration	733,210	0	114,016	847,226
Fiscal	551,300	0	0	551,300
Business	63,075	0	0	63,075
Operation and Maintenance of Plant	1,216,865	221,779	277,596	1,716,240
Pupil Transportation	42,724	0	5,400	48,124
Central	198,136	0	1,800	199,936
Operation of Non-Instructional Services:	300			300
Food Service Operations	0	0	361,957	361,957
Community Services	1,945	0	0	1,945
Extracurricular Activities:	5,705	0	0	5,705
Occupation Oriented Activities	1,282	0	0	1,282
Debt Service:				
Principal Retirement	0	0	204,000	204,000
Interest and Fiscal Charges	0	0	4,733	4,733
Total Expenditures	11,063,656	221,779	3,911,896	15,197,331
Excess of Revenues Over (Under) Expenditures	2,031,874	(121,779)	(1,184,150)	725,945
Other Financing Sources (Uses)				
Transfers In	0	300,000	552,386	852,386
Transfers Out	(852,386)	0	0	(852,386)
Total Other Financing Sources (Uses)	(852,386)	300,000	552,386	0
Net Change in Fund Balance	1,179,488	178,221	(631,764)	725,945
Fund Balances at Beginning of Year	5,079,273	3,195,341	2,134,907	10,409,521
Fund Balances at End of Year	$6,258,761	$3,373,562	$1,503,143	$11,135,466

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2023

Net Change in Fund Balances - Total Governmental Funds		$725,945
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 useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:		
Capital Asset Additions	768,375	
Depreciation Expense	(1,041,544)	(273,169)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Delinquent Property Taxes	(118,168)	
Tuition and Fees	(21,931)	
Intergovernmental Revenues	208,663	68,564
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		204,000
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	879,442	
OPEB	11,030	890,472
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liabilities are reported as pension expense in the statement of activities.		
Pension	(1,428,416)	
OPEB	212,537	(1,215,879)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, and interest expenditure is reported when due.		1,582
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:		
Sick Leave Benefits Payable	38,749	
Vacation Leave Payable	(11,911)	26,838
Change in Net Position of Governmental Activities		$428,353

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property Taxes	$3,901,655	$3,971,780	$3,971,780	$0
Intergovernmental	7,974,131	8,496,645	8,496,645	0
Interest	42,000	225,915	225,915	0
Customer Sales and Services	11,525	14,361	14,361	0
Rent	500	188	188	0
Gifts and Donations	800	800	800	0
Miscellaneous	174,654	121,581	121,580	(1)
Total Revenues	12,105,265	12,831,270	12,831,269	(1)
Expenditures				
Current:				
Instruction:				
Regular	35,000	211,276	211,276	0
Vocational	7,576,971	6,910,635	6,910,627	8
Support Services:				
Pupils	788,156	481,683	481,683	0
Instructional Staff	1,319,075	792,864	792,864	0
Board of Education	194,556	195,524	195,524	0
Administration	952,712	717,484	717,484	0
Fiscal	656,805	568,160	568,160	0
Business	87,900	62,792	62,792	0
Operation and Maintenance of Plant	1,827,229	1,239,002	1,239,002	0
Pupil Transportation	52,819	70,262	70,262	0
Central	347,340	217,499	217,499	0
Community Services	0	3,970	3,970	0
Extracurricular Activities	28,600	11,492	11,492	0
Total Expenditures	13,867,163	11,482,643	11,482,635	8
Excess of Revenues Over (Under) Expenditures	(1,761,898)	1,348,627	1,348,634	7
Other Financing Sources (Uses)				
Advances In	146,030	490,614	490,614	0
Refund of Prior Year Expenditures	5,000	14,608	14,608	0
Transfers Out	0	(852,386)	(852,386)	0
Advances Out	(246,030)	(395,090)	(395,090)	0
Total Other Financing Uses	(95,000)	(742,254)	(742,254)	0
Net Change in Fund Balance	(1,856,898)	606,373	606,380	7
Fund Balance at Beginning of Year	4,845,365	4,845,365	4,845,365	0
Prior Year Encumbrances Appropriated	480,992	480,992	480,992	0
Fund Balance at End of Year	$3,469,459	$5,932,730	$5,932,737	$7

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Statement of Fund Net Position
Enterprise Fund
June 30, 2023

	Business-Type Activity
	Adult Education
Assets	
Current :	
Equity in Pooled Cash and Cash Equivalents	$1,939,280
Accounts Receivable	1,207
Intergovernmental Receivable	158,600
Prepaid Items	715
Total Current Assets	2,099,802
Noncurrent:	
Non-Depreciable Capital Assets	53,062
Depreciable Capital Assets, Net	137,486
Net OPEB Asset	296,877
Total Noncurrent Assets	487,425
Total Assets	2,587,227
Deferred Outflows of Resources	
Pension	1,196,000
OPEB	125,630
Total Deferred Outflows of Resources	1,321,630
Liabilities	
Current:	
Accounts Payable	45,270
Accrued Wages and Benefits Payable	126,137
Intergovernmental Payable	46,489
Interfund Payable	639
Accrued Vacation Leave Payable	12,838
Total Current Liabilities	231,373
Long-Term:	
Compensated Absences Payable	35,359
Net Pension Liability	2,878,750
Net OPEB Liability	82,764
Total Long-term Liabilities	2,996,873
Total Liabilities	3,228,246
Deferred Inflows of Resources	
Pension	307,514
OPEB	399,692
Total Deferred Inflows of Resources	707,206
Net Position	
Investment in Capital Assets	190,548
Restricted for Pension/OPEB	56,142
Unrestricted (Deficit)	(273,285)
Total Net Position (Deficit)	($26,595)

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio

Statement of Revenues, Expenses,
and Changes in Fund Net Position
Enterprise Fund
For the Fiscal Year Ended June 30, 2023

	Business-Type Activity
	Adult Education
Operating Revenues	
Tuition and Fees	$1,417,329
Sales	157,978
Charges for Services	438,146
Other Operating Revenues	45,939
Total Operating Revenues	2,059,392
Operating Expenses	
Salaries and Wages	1,943,102
Fringe Benefits	544,857
Purchased Services	451,645
Materials and Supplies	280,955
Depreciation	20,683
Capital Outlay	16,405
Other Operating Expenses	680,209
Total Operating Expenses	3,937,856
Operating Loss	(1,878,464)
Non-Operating Revenues	
Federal and State Subsidies	1,409,035
Change in Net Position	(469,429)
Net Position at Beginning of Year	442,834
Net Position (Deficit) at End of Year	($26,595)

See accompanying notes to the basic financial statements

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Statement of Cash Flows
Enterprise Fund
For the Fiscal Year Ended June 30, 2023

	Business-Type Activity
	Adult Education
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Customers	$644,605
Cash Received from Tuition and Fees	1,417,329
Cash Payments for Employee Services and Benefits	(2,257,320)
Cash Payments to Suppliers for Goods and Services	(713,021)
Other Operating Revenues	52,749
Other Operating Expenses	(680,209)
Net Cash Used for Operating Activities	(1,535,867)
Cash Flows from Noncapital Financing Activities	
Advances In	639
Advances Out	(38,345)
Operating Grants Received	1,409,035
Net Cash Provided by Noncapital Financing Activities	1,371,329
Cash Flows from Capital and Related Financing Activities	
Acquisition of Capital Assets	(66,517)
Net Decrease in Cash and Cash Equivalents	(231,055)
Cash and Cash Equivalents at Beginning of Year	2,170,335
Cash and Cash Equivalents at End of Year	$1,939,280
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	($1,878,464)
Adjustments:	
Depreciation	20,683
(Increase) Decrease in Assets:	
Accounts Receivable	(717)
Intergovernmental Receivable	56,008
Prepaid Items	1,001
Decrease in Deferred Outflow - OPEB	64,097
Decrease in Deferred Outflow- Pension	747,411
Increase (Decrease) in Liabilities:	
Accounts Payable	34,877
Intergovernmental Payable	28,385
Accrued Wages and Benefits Payable	28,389
Accrued Vacation Leave Payable	(2,537)
Net OPEB Liability	24,655
Net Pension Liability	99,868
Sick Leave Benefits Payable	5,955
Decrease in Deferred Inflow- OPEB	(137,178)
Decrease in Deferred Inflow- Pension	(628,300)
Net Cash Used for Operating Activities	($1,535,867)

See accompanying notes to the basic financial statements

Note 1 - Description of the School District and Reporting Entity

The Gallia-Jackson-Vinton Joint Vocational School District (the School District) is a joint vocational school district as defined by Section 3311.18 of the Ohio Revised Code and 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 School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of nine members from the six participating school districts located within Gallia, Jackson, and Vinton Counties. The Board consists of five members from the three city school districts and four members from the three local school districts. The School District exposes students to job training leading to employment upon graduation from high school.

The School District was formed in 1970. The buildings are located on a 47.63-acre site and were opened for instruction in 1975. It is staffed by 20 classified employees, 58 certificated employees, and 26 administrative employees who provide services to 1,594 high school students and adult students through the adult education department evening classes and customized training for business and industry.

Reporting Entity

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

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

The School District participates in the Metropolitan Educational Technology Association, the Coalition of Rural and Appalachian Schools, and the Ohio Coalition for Equity and Adequacy in School Funding, which are defined as jointly governed organizations. The School District also participates in the Ohio School Plan and the Ohio School Boards Association Workers' Compensation Group Rating Plan, which are defined as insurance purchasing pools. These organizations are presented in Notes 18 and 19.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District 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 School District's accounting policies are described below.

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the stand-alone government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts, or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

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

B. Fund Accounting

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

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

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

Permanent Improvements Capital Projects Fund The Permanent Improvements Capital Projects Fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities.

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

Proprietary Fund Types Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service.

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

Fiduciary Fund Type 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 School District has no fiduciary funds.

C. Measurement Focus

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

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

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary and 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, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes and grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District 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, investment earnings, tuition, grants, fees, and charges for services.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 15 and 16.

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 School District, deferred inflows of resources include property taxes, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, tuition and fees, and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 15. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 15 and 16)

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

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

E. Cash and Cash Equivalents

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

During fiscal year 2023, investments were limited to non-negotiable certificates of deposit, which are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue is credited to the General Fund and the Lunchroom Special Revenue Fund. Investment earnings credited to the General Fund during fiscal year 2023 amounted to $225,915, which includes $118,327 assigned from other School District funds.

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

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

G. Inventory

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

H. Assets

SSAP Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the enterprise fund represents amounts held in trust by the OPEB plan for future benefits.

Capital Assets

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

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

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

Description	Estimated Lives
Land Improvements	10 - 20 years
Buildings and Improvements	10 - 50 years
Furniture and Equipment	5 - 50 years
Vehicles	5 - 50 years

I. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund balance amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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

J. 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 School District will compensate the employees for the benefits through paid time off or some other means. The liability for vacation benefits is recorded as "accrued vacation leave payable", rather than long-term liabilities, as the balances are to be used by employees in the fiscal year following the fiscal year in which the benefit was earned.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each person upon the occurrence of employee resignations and retirements. These amounts are recorded in the accounts "matured compensated absences payable" in the funds from which these payments will be made.

K. Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables, net pension liability, and accrued liabilities that, once incurred, are paid in a full and timely manner from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. 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 are recognized as a liability on the governmental fund financial statements when due.

L. Internal Activity

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

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

M. Fund Balance

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

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

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

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

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

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

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

N. Net Position

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

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

O. Pensions/Other Postemployment Benefits (OPEB)

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

P. Operating Revenues and Expenses

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

Q. 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.

R. Budgetary Process

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. The Treasurer maintains budgetary information at the function and object level and has the authority to allocate appropriations to the function and object level.

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

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

Note 3 - Changes in Accounting Principles

For fiscal year 2023, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; GASB Statement No. 96, *Subscription-Based Information Technology Arrangements;* and GASB Statement No. 99, *Omnibus 2022*.

GASB Statement 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The School District did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The School District did not have any contracts that met the GASB 96 definition of a SBITA.

GASB Statement 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

Note 4 - Fund Balances

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

Fund Balances	General Fund	Permanent Improvements Fund	Other Governmental Funds	Total
Nonspendable:				
Prepaid Items	$64,730	$0	$33,598	$98,328
Materials and Supplies Inventory	13,297	0	2,605	15,902
Total Nonspendable	78,027	0	36,203	114,230
Restricted for:				
Federal Grant Expenditures	0	0	1,458	1,458
Classroom Facilities	0	0	551,792	551,792
Total Restricted	0	0	553,250	553,250
Committed to:				
Scholarships	439	0	0	439
School Improvements	0	33,179	0	33,179
Total Committed	439	33,179	0	33,618
Assigned to:				
2024 Appropriations	5,871,180	0	0	5,871,180
Purchase on Order	354,979	0	0	354,979
School Support Services	10,800	0	0	10,800
Capital Improvements	0	3,340,383	1,294,600	4,634,983
Total Assigned	6,236,959	3,340,383	1,294,600	10,871,942
Unassigned:	(56,664)	0	(380,910)	(437,574)
Total Fund Balances	$6,258,761	$3,373,562	$1,503,143	$11,135,466

Note 5 - Fund Deficits

The following funds had deficit fund balances as of June 30, 2023:

	Deficit Fund Balances
Special Revenue Funds:	
Carl D. Perkins Grant	$126,390
Miscellaneous Federal Grants	94,786
Miscellaneous State Grants	63,231
Special Education Consortium	53,122
Governor's Emergency Education Relief Fund	23,000
Innovative Workforce Incentive Program	17,805
Food Service Fund	2,576
	$380,910

These deficits are the result of 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 - Budgetary Basis of Accounting

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

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

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

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

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

5. Prepaid items are reported on the balance sheet (GAAP basis), but not on the budgetary basis.

6. Certain funds are accounted for as separate funds internally with legally adopted budgets (budget basis) that do not meet the definition of special revenue funds under GASB Statement No. 54 and were reported with the General Fund for GAAP reporting.

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

Net Change in Fund Balance	
GAAP Basis	$1,179,488
Net Adjustment for:	
Revenue Accruals	(174,149)
Expenditure Accruals	(61,902)
Prepaid Items:	
Beginning of Fiscal Year	60,808
End of Fiscal Year	(64,730)
Perspective Difference	16,153
Advances In	490,614
Advances Out	(395,090)
Encumbrances	(444,812)
Budget Basis	$606,380

Note 7 - Deposits and Investments

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

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

Inactive deposits are public deposits that the Board 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 School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) and by a letter of credit from the Federal Home Loan Bank of Cincinnati.

Interim monies held by the School District 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 bonds and other obligations of political subdivisions of the State of Ohio;

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

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

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

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

Note 8 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar 2023 represents collections of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed value listed as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State statute at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2023 represents collections of calendar year 2022 taxes. Public utility real property taxes received in calendar year 2023 became a lien December 31, 2021, were levied after April 1, 2022, and are collected with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Gallia, Jackson, Vinton, and Lawrence Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility taxes which are measurable as of June 30, 2023, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources - property taxes.

The amount available as an advance at June 30, 2023, was $219,897 and is recognized as revenue in the General Fund. The amount available as an advance to the General Fund at June 30, 2022, was $40,512.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.
The assessed values upon which the fiscal year 2023 taxes were collected are:

	2022 Second-Half Collections		2023 First-Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	$1,345,865,360	67.30%	$1,353,663,633	60.19%
Public Utility Personal	653,880,060	32.70%	895,257,070	39.81%
Total	$1,999,745,420	100.00%	$2,248,920,703	100.00%
Tax Rate per $1,000 of assessed valuation	$2.00		$2.00	

Note 9 - Interfund Activity

A. Balances

Internal Balances – Change in Proportionate Share

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

	Deferred Outflows	Deferred Inflows
Governmental Activities		
Governmental Activities	$101,481	$305,207
Business-Type Activity		
Adult Education	305,207	101,481
Total	$406,688	$406,688

Other Internal Balances

Interfund balances at June 30, 2023, arise from the provision of cash flow resources from the General Fund until the receipt of grant monies by the Special Revenue Funds.

	Interfund Receivables	Interfund Payables
General Fund	$395,090	$0
Other Governmental Funds:		
Special Education	0	21,208
CTE Career Counseling	0	63,277
Adult Basic Literacy Education	0	6,802
Innovative Workforce	0	59,471
Governors Emergency Relief	0	28,750
Carl D. Perkins	0	109,695
Miscellaneous Federal Grants	0	105,248
Total Other Governmental Funds	0	394,451
Business-Type Activity Fund:		
Adult Education	0	639
Total	$395,090	$395,090

B. Transfers

The following transfers were made during fiscal year 2023:

	Transfer In		
Transfer Out	Permanent Improvements	Other Governmental	Total
General Fund	$300,000	$552,386	$852,386

The General Fund transferred $183,691 to the Classroom Maintenance Special Revenue to meet the School District's facilities maintenance requirements as part of the Ohio School Facilities Commission funding. $300,000 was transferred from the General Fund to the Permanent Improvement Fund. $300,000 was transferred from the General Fund to the Capital Projects Fund. $68,695 was transferred from the General Fund to the Food Service Fund.

Note 10 - Significant Commitments

Contractual Commitments

As of June 30, 2023, the School District has contractual purchase commitments in the Adult Education Fund for an ongoing project as follows:

Project	Contract Amount	Amount Expended	Balance at 06/30/23
Trades Building Project	$63,662	$53,062	$10,600

Encumbrances

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

Governmental Activities:	
General Fund	$444,812
Permanent Improvement	134,626
Other Governmental Funds	171,045
Total Governmental Funds	750,483
Business-Type Activity:	
Adult Education Enterprise Fund	169,440
Total	$919,923

Note 11 - Receivables

Receivables at June 30, 2023, consisted of property taxes, accounts, interfund, intergovernmental grants, and accrued interest on investments, leases, and accounts (billings for service). All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except for delinquent property taxes, 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. Delinquent property taxes deemed collectible by the County Auditor and recorded as a receivable in the amount of $312,535 may not be collected within one year. A summary of principal items of intergovernmental receivables follows:

	Amounts
Governmental Activities:	
Carl Perkins - Secondary	$78,582
Carl Perkins - Adult	72,952
Innovative Workforce Incentive Program	34,883
REAP	32,877
Governor's Emergency Education Relief II	28,750
P-20 Regional Partnerships	17,911
ARP Homeless	11,000
Adult Basic Literacy Education	9,212
Miscellaneous	12,000
Networking Grant	46
Total Governmental Activities	298,213
Business-Type Activity:	
WIA/TANF	148,765
Miscellaneous	9,835
Total Business-Type Activity	158,600
Total	$456,813

Note 12 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

Governmental Activities:	Balance 6/30/2022	Additions	Deductions	Balance 6/30/2023
Capital Assets:				
Capital Assets not being depreciated:				
Land	$136,702	$0	$0	$136,702
Depreciable Capital Assets:				
Land Improvements	314,631	0	0	314,631
Buildings and Improvements	25,554,816	156,438	0	25,711,254
Furniture and Equipment	3,694,256	611,937	0	4,306,193
Vehicles	432,455	0	0	432,455
Total Capital Assets being Depreciated	29,996,158	768,375	0	30,764,533
Less Accumulated Depreciation				
Land Improvements	(54,949)	(20,997)	0	(75,946)
Buildings and Improvements	(9,374,846)	(673,441)	0	(10,048,287)
Furniture and Equipment	(2,110,946)	(326,016)	0	(2,436,962)
Vehicles	(337,686)	(21,090)	0	(358,776)
Total Accumulated Depreciation	(11,878,427)	(1,041,544) *	0	(12,919,971)
Total Capital Assets being Depreciated, Net	18,117,731	(273,169)	0	17,844,562
Governmental Activities Capital Assets, Net	$18,254,433	($273,169)	$0	$17,981,264

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Special	$33,630
Vocational	600,182
Adult/Continuing	124,890
Support Services:	
Pupils	29,311
Instructional Staff	70,657
Board	43,573
Fiscal	4,079
Business	514
Operation and Maintenance of Plant	98,152
Transportation	2,039
Central	12,308
Food Service	22,209
Total Depreciation Expense	$1,041,544

Business-Type Activity:	Balance 6/30/2022	Additions	Deductions	Balance 6/30/2023
Capital Assets:				
Capital Assets not being depreciated:				
Construction in Progress	$0	$ 53,062	$0	$ 53,062
Depreciable Capital Assets:				
Furniture and Equipment	389,227	13,455	0	402,682
Less Accumulated Depreciation				
Furniture and Equipment	(244,513)	(20,683)	0	(265,196)
Total Capital Assets being Depreciated, Net	144,714	(7,228)	0	137,486
Business-Type Activity Capital Assets, Net	$144,714	$45,834	$0	$190,548

Note 13 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School District joined together with other school district in Ohio to participate in the Ohio School Plan (OSP), an insurance purchasing pool. Each individual school district enters into an agreement with the OSP and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The School District pays this annual premium to the OSP (See Note 19). The types and amounts of coverage provided by the OSP are as follows:

Property	Deductible	Limits of Coverage
Building and Contents - Replacement Cost	$1,000	$47,564,424
General Liability:		
Each Occurrence		5,000,000
Aggregate Limit		7,000,000
Sexual Abuse		5,000,000
Products - Completed Operations Aggregate Limit		5,000,000
Personal and Advertising Injury Limit - Each Offense		5,000,000
Errors and Omissions:		
Each Occurrence	2,500	5,000,000
Aggregate Limit		7,000,000
Employers' Liability- Stop Gap:		
Each Accident		5,000,000
By Disease		5,000,000
Fiduciary Liability:		
Each Fiduciary Claim Limit	2,500	5,000,000
Aggregate Limit		7,000,000
Vehicles:		
Bodily Injury:		
Liability		5,000,000
Unisured Motorist		1,000,000

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

B. Workers' Compensation

For fiscal year 2023, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 19). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control, and actuarial services to the GRP.

Note 14 - Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and administrators earn ten to twenty-five days of vacation per fiscal year, depending upon length of service. No more than two years of vacation is permitted to be carried forward and should be used in the fiscal year following accrual. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to 240 days (260 days for 12-month employees). Upon retirement, payment is made for one-fourth of accrued, but unused sick leave to a maximum of 60 days for all employees. In addition, teachers and other certified employees are given one additional day for each five years of service from fifteen (15) to thirty-five (35) years, and classified employees are given one additional day for each five years of service from fifteen (15) to thirty-five (35) years.

B. Insurance

The School District provides life insurance and accidental death and dismemberment insurance to all full-time employees through United Healthcare in the amount of $40,000.

The School District contracts with Anthem for hospitalization and major medical insurance for all full-time employees. The School District pays monthly premiums of $2,090.77 for gold family coverage, $1,596.92 for silver family coverage, $846.46 for gold single coverage, and $649.14 for silver individual coverage. This coverage includes prescription drug insurance for the employees, utilizing a retail prescription deductible of $10 for formulary generic, $25 for formulary brand, and $40 for non-formulary. A mail order deductible of $20 for formulary generic, $50 for formulary brand, and $80 for non-formulary is also available.

Note 15 - Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability

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

The net pension/OPEB liability (asset) represents the School District'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 School District's obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the School District 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 16 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

Plan Description – School District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, 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 School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was $236,943 for fiscal year 2023. Of this amount, $40,954 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2026, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 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 that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2023 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2023, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was $880,572 for fiscal year 2023. Of this amount, $29,844 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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District'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	0.04067250%	0.04984948%	
Prior Measurement Date	0.04369160%	0.04806530%	
Change in Proportionate Share	-0.00301910%	0.00178418%	
Proportionate Share of the Net Pension Liability	$2,199,883	$11,081,602	$13,281,485
Pension Expense	$235,829	$1,649,639	$1,885,468

At June 30, 2023, the School District 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	$89,097	$141,859	$230,956
Changes of assumptions	21,706	1,326,135	1,347,841
Net difference between projected and actual earnings on pension plan investments	0	385,616	385,616
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	62,928	443,748	506,676
School District contributions subsequent to the measurement date	236,943	880,572	1,117,515
Total Deferred Outflows of Resources	$410,674	$3,177,930	$3,588,604
Deferred Inflows of Resources			
Differences between expected and actual experience	$14,442	$42,391	$56,833
Changes of assumptions	0	998,199	998,199
Net difference between projected and actual earnings on pension plan investments	76,766	0	76,766
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	113,077	0	113,077
Total Deferred Inflows of Resources	$204,285	$1,040,590	$1,244,875

$1,117,515 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. 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:			
2024	14,626	226,521	241,147
2025	(63,089)	113,849	50,760
2026	(109,664)	(207,456)	(317,120)
2027	127,573	1,123,854	1,251,427
2028	0	0	0
Total	($30,554)	$1,256,768	$1,226,214

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2022, are presented below:

	June 30, 2022
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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	(0.33) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	0.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategy	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	100.00 %	

Discount Rate The total pension liability for 2022 was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$3,238,126	$2,199,883	$1,325,181

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2022; actuarial valuation are presented below:

	June 30, 2022
Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 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

For 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.

For 2021, post-retirement mortality rates are based on RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates, thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022, 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%	

* Target allocation percentage is effective July 1, 2022
Target weights were phased in over a 3 month period
concluding on 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 total pension liability for 2023 was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 percent, as well as what the School

District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$16,740,267	$11,081,602	$6,296,124

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System, or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2019, four members of the Board of Education elected Social Security. The Board’s liability is 6.2 percent of wages paid.

Note 16 - Defined Benefit OPEB Plans

See Note 15 for a description of the net pension liability.

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS’ Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS’ health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS’ health care coverage. Most retirees and dependents choosing SERS’ health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS’ website at www.ohsers.org under Employers/Audit Resources.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, 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 2023, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the School District's surcharge obligation was $12,977.04.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was $12,977 for fiscal year 2023. All of this amount is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2023, 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, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.03929830%	0.04984948%	
Prior Measurement Date	0.04369160%	0.04806530%	
Change in Proportionate Share	-0.00439330%	0.00178418%	
Proportionate Share of the:			
Net OPEB Liability	$551,751	$0	$551,751
Net OPEB (Asset)	$0	($1,290,768)	($1,290,768)
OPEB Expense	($23,776)	($235,240)	($259,016)

At June 30, 2023, the School District 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	$4,638	$18,712	$23,350
Changes of assumptions	87,763	54,983	142,746
Net difference between projected and actual earnings on OPEB plan investments	2,868	22,469	25,337
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	176,778	14,438	191,216
School District contributions subsequent to the measurement date	12,977	0	12,977
Total Deferred Outflows of Resources	$285,024	$110,602	$395,626
Deferred Inflows of Resources			
Differences between expected and actual experience	$352,941	$193,849	$546,790
Changes of assumptions	226,499	915,279	1,141,778
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	142,621	9,462	152,083
Total Deferred Inflows of Resources	$722,061	$1,118,590	$1,840,651

$12,977 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. 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:			
2024	($97,054)	($298,686)	($395,740)
2025	(88,252)	(286,117)	(374,369)
2026	(70,970)	(136,973)	(207,943)
2027	(46,660)	(57,450)	(104,110)
2028	(45,887)	(75,583)	(121,470)
Thereafter	(101,191)	(153,179)	(254,370)
Total	($450,014)	($1,007,988)	($1,458,002)

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, 2022, are presented below:

	June 30, 2022
Inflation	2.40 percent
Future Salary Increases, including inflation	
Wage Increases	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.69 percent
Prior Measurement Date	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	4.08 percent
Prior Measurement Date	2.27 percent
Health Care Cost Trend	
Medicare	5.125 to 4.40 percent
Pre-Medicare	6.75 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.

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

The 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 15.

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2022, was 4.08 percent. The discount rate used to measure total OPEB liability prior to June 30, 2021, was 2.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022, and the June 30, 2021, total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.69 percent at June 30, 2022, and 1.92 percent at June 30, 2021.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) and higher (5.08%) than the current discount rate (4.08%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate.

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
School District's proportionate share of the net OPEB liability	$685,285	$551,751	$443,955

	1% Decrease (6.00% decreasing to 3.40%)	Current Discount Rate (7.00% decreasing to 4.40%)	1% Increase (8.00% decreasing to 540%)
School District's proportionate share of the net OPEB liability	$425,500	$551,751	$716,658

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022, actuarial valuation are presented below:

	June 30, 2022	June 30, 2021
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 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, 3.94 percent ultimate	5.00 percent initial, 4 percent ultimate
Medicare	-68.78 percent initial, 3.94 percent ultimate	-16.18 percent initial, 4 percent ultimate
Prescription Drug		
Pre-Medicare	9.00 percent initial, 3.94 percent ultimate	6.50 percent initial, 4 percent ultimate
Medicare	-5.47 initial, 3.94 percent ultimate	29.98 initial, 4 percent ultimate

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

For 2022, 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.

For 2021, healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates, thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021.

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 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 15.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was used to measure the total OPEB liability as of June 30, 2022.

Sensitivity of the School District'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, 2022, 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%)
School District's proportionate share of the net OPEB asset	($1,193,282)	($1,290,768)	($1,374,275)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	($1,338,841)	($1,290,768)	($1,230,089)

Note 17 - Long-Term Obligations

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

	Principal Outstanding 6/30/22	Additions	Deductions	Principal Outstanding 6/30/23	Amounts Due in One Year
Governmental Activities:					
2008 Qualified Zone Academy Bonds - 2.31%	$204,000	$0	$204,000	$0	$0
Net Pension Liability:					
STRS	4,793,554	3,739,280	0	8,532,834	0
SERS	1,386,401	483,500	0	1,869,901	0
Total Net Pension Liability	6,179,955	4,222,780	0	10,402,735	0
Net OPEB Liability - SERS	711,132	0	242,145	468,987	0
Sick Leave Benefits Payable	639,592	0	38,749	600,843	34,984
Total Governmental Activities	$7,734,679	$4,222,780	$484,894	$11,472,565	$34,984
Business-Type Activities:					
Net Pension Liability					
STRS	$1,352,027	$1,196,741	$0	$2,548,768	$0
SERS	225,692	104,290	0	329,982	0
Total Net Pension Liability	1,577,719	1,301,031	0	2,878,750	0
Net OPEB Liability - SERS	115,767	0	33,003	82,764	0
Sick Leave Benefits Payable	29,404	5,955	0	35,359	0
Total Business-Type Activities	$1,722,890	$1,306,986	$33,003	$2,996,873	$0

On March 1, 2008, the School Districted issued $3,060,000 of qualified zone academy bonds (QZAB), in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34), for use as the School District's locally funded portion in upgrading existing facilities through the Ohio Schools Facilities Commission. The QZAB was issued through a series of lease agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. In accordance with the lease terms, the project assets are leased to the Ohio Valley Bank Company, and then subleased back to the School District. The QZAB was issued through a series of annual leases with an initial lease term of fifteen years which includes the right to renew for fifteen successive one-year leases through March 1, 2023, subject to annual appropriations. To satisfy trustee requirements, the School District was required to make annual base rent payments, subject to lease terms and appropriations. Annual base rent requirements to retire the Qualified Zone Academy Bonds concluded during fiscal year 2023.

Sick leave benefits will be paid from the General Fund; the Food Service, Special Education Consortium, and Perkins Grant Special Revenue Funds; and the Adult Education Enterprise Fund. There are no repayment schedules for the net pension and net OPEB liabilities. However, employer pension contributions are made from the following funds: General Fund, Food Service Fund, Special Education Consortium Fund, Adult Basic Literacy Education Fund, Carl Perkins Fund, and the Adult Education Fund. For additional information related to the net pension and net OPEB liabilities, see Notes 15 and 16.

The School District's overall legal debt margin was $202,392,763, with an unvoted debt margin of $20,239,276 at June 30, 2023.

Note 18 - Jointly Governed Organizations

A. Metropolitan Educational Technology Association (META)

The School District participates in the Metropolitan Educational Technology Association (META), formed from the merger of the Metropolitan Educational Council (MEC) and the Southern Ohio Voluntary Education Cooperative (SEOVEC) during fiscal year 2016, which is a jointly governed organization, created as a regional council of governments pursuant to Chapter 167 of the Ohio Revised Code. META operates as, and has all the powers of, a data acquisition site/information technology center pursuant to applicable provisions of the Ohio Revised Code. The organization was formed for the purpose of identifying, developing, and providing to members and nonmembers innovative educational and technological services and products, as well as expanded opportunities for cooperative purchasing. The General Assembly of META consists of one delegate from every member school district. The delegate is the superintendent of the school district or the superintendent's designee. The degree of control exercised by any participating school district is limited to its representation on the General Assembly. The General Assembly exercises total control over the operation of META including budgeting, appropriating, contracting, and designating management. During 2023, the School District paid $76,846 for services with META/MEC/SEOVEC. Financial information can be obtained from Metropolitan Educational Technology Association at 100 Executive Drive, Marion, Ohio 43302.

B. Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (CORAS) is a jointly governed organization composed of over 130 school districts and other educational institutions in the 35-county region of Ohio designated as Appalachia. The Coalition is operated by a board which is composed of seventeen members. One elected and one appointed from each of the seven regions into which the 35 Appalachian counties are divided; and three from Ohio University College of Education. The board exercised total control over the operations of CORAS including budgeting, appropriating, contracting, and designating management. Each participant's control is limited to its representation on the board. The Coalition provides various in-service training programs for school district administrative personnel; gathers data regarding the level of education provided to children in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The Coalition is not dependent on the continued participation of the School District and the School District does not maintain an equity interest in or financial responsibility for the Coalition. During fiscal year 2023, the School District made a payment of $725 for a membership fee. Financial information may be obtained from the Coalition of Rural and Appalachian Schools at Lindley Hall Room 200, Ohio University, Athens, Ohio 45701.

C. Ohio Coalition for Equity and Adequacy of School Funding

The Ohio Coalition for Equity and Adequacy of School Funding includes over 500 school districts throughout the State of Ohio. Member school districts and joint vocational schools pay dues annually in the amount of $.50 per pupil, and educational service centers pay dues of $.05 per pupil. The Ohio Coalition for Equity & Adequacy of School Funding is organized as a council of governments pursuant to Chapter 167 of the Ohio Revised Code. The Coalition was organized in 1990 to challenge the constitutionality of the Ohio school funding system. The Coalition is governed by a Steering Committee of 90 school district representatives. Though most of the members are superintendents, some treasurers, board members and administrators also serve. Several persons serve as ex officio members. Steering Committee members serve without stipend or expense reimbursement from the Coalition. For fiscal year 2023, the School District made a payment of $846 for a membership fee.

Note 19 - Insurance Purchasing Pools

A. Ohio School Plan

The School District participates in the Ohio School Plan (OSP), an insurance purchasing pool. The OSP is created and organized pursuant to and is 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 fifteen-member Board of Directors consisting of school district superintendents and treasurers, as well as the president of Harcum-Hyre Insurance Agency, Inc. and a partner of the Hylant Group, Inc. Hylant Group, Inc. is the Administrator of the OSP and is responsible for processing claims. Harcum-Hyre Insurance Agency, Inc. is the sales and marketing representative, which establishes agreements between the OSP and member school districts.

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

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

Note 20 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2023.

B. Litigation

The School District is currently not party to any legal proceedings.

C. School Foundation

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2023 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2023 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the School District.

Note 21 - Set-Asides

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

Effective April 10, 2001, through Amended Substitute Senate Bill 345, the requirement for school districts to establish and appropriate money for the budget stabilization was deleted from law. A school district may still establish reserve balance accounts consistent with Section 5705.13, Revised Code, if it so chooses; however, the requirement is no longer mandatory.

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

	Capital Improvements
Set-Aside Reserve Balance as of as of June 30, 2022	$0
Current Year Set-Aside Requirement	129,488
Qualifying Expenditures	(169,427)
Totals	($39,939)
Set-Aside Balance Carried Forward to Future Fiscal Years	$0

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

Note 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 2023, the School District received COVID-19 funding. The School District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Note 23 – Subsequent Events

The School District approved a contract with Randy Evans Construction in the amount of $2,875,000 for a Diesel Lab Building and CDL Complex Project.

The School District also approved a resolution of acceptance in the Ohio Facilities Construction Commission Career Technical Construction Program to build one 7,333 sf building for Electrical, Broadband, Telecommunications and Power Lineman to accommodate 90 students. The Award Amount is $3,790,220 with a Local Share of $329,048 for a total Project Budget of $4,119,268.

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Gallia-Jackson-Vinton Joint Vocational School District, Ohio

Required Supplementary Information

Schedule of the School District's Proportionate Share of the Net Pension Liability

School Employees Retirement System of Ohio

Last Ten Fiscal Years

	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.0406725%	0.0436916%	0.0392788%
School District's Proportionate Share of the Net Pension Liability	$2,199,883	$1,612,093	$2,597,983
School District's Covered Payroll	$1,514,957	$1,534,800	$1,385,557
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	145.21%	105.04%	187.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.82%	82.86%	68.55%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015	2014
0.0336944%	0.0319858%	0.0344248%	0.0329041%	0.03263960%	0.031905%	0.031905%
$2,015,995	$1,831,887	$2,056,806	$2,408,277	$1,862,448	$1,614,695	$1,897,289
$1,108,333	$1,064,289	$1,105,914	$1,037,693	$1,004,385	$925,729	$1,172,809
181.89%	172.12%	185.98%	232.08%	185.43%	174.42%	161.77%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.04984948%	0.04806530%	0.04746650%
School District's Proportionate Share of the Net Pension Liability	$11,081,602	$6,145,581	$11,485,203
School District's Covered Payroll	$7,495,179	$5,940,950	$5,739,579
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	147.85%	103.44%	200.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.90%	87.80%	75.50%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015	2014
0.04600400%	0.04463170%	0.04388449%	0.04493965%	0.04193778%	0.04171913%	0.04171913%
$10,173,508	$9,813,510	$10,424,855	$15,042,655	$11,590,376	$10,147,536	$12,087,679
$5,415,286	$5,112,679	$4,825,421	$5,287,857	$3,841,071	$4,178,854	$4,925,569
187.87%	191.94%	216.04%	284.48%	301.75%	242.83%	245.41%
77.30%	75.30%	75.30%	66.80%	72.10%	74.70%	69.30%

Gallia-Jackson-Vinton Joint Vocational School District, Ohio

Required Supplementary Information

Schedule of the School District's Proportionate Share of the Net OPEB Liability

School Employees Retirement System of Ohio

Last Seven Fiscal Years

	2023	2022
School District's Proportion of the Net OPEB Liability	0.03929830%	0.04369196%
School District's Proportionate Share of the Net OPEB Liability	$551,751	$826,899
School District's Covered Payroll	$1,514,957	$1,534,800
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	36.42%	53.88%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.34%	24.08%

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

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

See accompanying notes to the required supplementary information

2021	2020	2019	2018	2017
0.03770510%	0.03327930%	0.03249730%	0.03490300%	0.03333690%
$819,455	$836,904	$901,562	$936,705	$950,225
$1,385,557	$1,108,333	$1,064,289	$1,105,914	$1,037,693
59.14%	75.51%	84.71%	84.70%	91.57%
18.17%	15.57%	12.46%	12.46%	11.49%

Gallia-Jackson-Vinton Joint Vocational School District, Ohio

Required Supplementary Information

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

State Teachers Retirement System of Ohio

Last Seven Fiscal Years

	2023	2022
School District's Proportion of the Net OPEB Liability	0.04984948%	0.04806530%
School District's Proportionate Share of the Net OPEB Liability (Asset)	($1,290,768)	($1,013,419)
School District's Covered Payroll	$7,495,179	$5,940,950
School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-17.22%	-17.06%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	230.70%	174.70%

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

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

See accompanying notes to the required supplementary information

2021	2020	2019	2018	2017
0.04746650%	0.04600400%	0.04463170%	0.04388449%	0.04493965%
($834,222)	($761,936)	($717,187)	$1,712,211	$2,403,384
$5,739,579	$5,415,286	$5,112,679	$4,825,421	$5,287,857
-14.53%	-14.07%	-14.03%	35.48%	45.45%
182.10%	174.70%	176.00%	47.10%	37.30%

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Required Supplementary Information
Schedule of the School District's Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
Net Pension Liability				
Contractually Required Contribution	$236,943	$212,094	$214,872	$193,978
Contributions in Relation to the Contractually Required Contribution	(236,943)	(212,094)	(214,872)	(193,978)
Contribution Deficiency (Excess)	$0	$0	$0	$0
School District Covered Payroll (1)	$1,692,450	$1,514,957	$1,534,800	$1,385,557
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution (2)	$12,977	$17,267	$17,267	$9,776
Contributions in Relation to the Contractually Required Contribution	(12,977)	(17,267)	(17,267)	(9,776)
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Covered Payroll	0.77%	1.14%	1.13%	0.71%
Total Contributions as a Percentage of Covered Payroll (2)	14.77%	15.14%	15.13%	14.71%

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

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
$149,625	$143,679	$154,828	$145,277	$132,378	$128,306
(149,625)	(143,679)	(154,828)	(145,277)	(132,378)	(128,306)
$0	$0	$0	$0	$0	$0
$1,108,333	$1,064,289	$1,105,914	$1,037,693	$1,004,385	$925,729
13.50%	13.50%	14.00%	14.00%	13.18%	13.86%
$19,993	$23,089	$18,883	$16,835	$25,513	$17,517
(19,993)	(23,089)	(18,883)	(16,835)	(25,513)	(17,517)
$0	$0	$0	$0	$0	$0
1.80%	2.17%	1.71%	1.62%	2.54%	1.89%
15.30%	15.67%	15.71%	15.62%	15.72%	15.75%

Gallia-Jackson-Vinton Joint Vocational School District, Ohio
Required Supplementary Information
Schedule of the School District's Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
Net Pension Liability				
Contractually Required Contribution	$880,572	$1,049,325	$831,733	$803,541
Contributions in Relation to the Contractually Required Contribution	(880,572)	(1,049,325)	(831,733)	(803,541)
Contribution Deficiency (Excess)	$0	$0	$0	$0
School District Covered Payroll (1)	$6,289,800	$7,495,179	$5,940,950	$5,739,579
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
Total Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

(1) The School District's covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
$758,140	$715,775	$675,559	$740,300	$537,750	$543,251
(758,140)	(715,775)	(675,559)	(740,300)	(537,750)	(543,251)
$0	$0	$0	$0	$0	$0
$5,415,286	$5,112,679	$4,825,421	$5,287,857	$3,841,071	$4,178,854
14.00%	14.00%	14.00%	14.00%	14.00%	13.00%
$0	$0	$0	$0	$0	$41,789
0	0	0	0	0	(41,789)
$0	$0	$0	$0	$0	$0
0.00%	0.00%	0.00%	0.00%	0.00%	1.00%
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Net Pension Liability

Changes in Assumptions – SERS

Beginning in fiscal year 2018, 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.

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	12.50 percent at age 20 to 2.50 percent at age 65	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustments (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 August 1, ,2013, or later, 2 percent COLA commences on fifth anniversary of retirement date.

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 Pension

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

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 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 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 (2.5 percent to 12.50 percent) to service based (2.5 percent to 8.5 percent.)

Changes in Benefit Terms – STRS OPEB

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

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

For fiscal year 2020, there was no change to the claim's 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 claim's 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 claim's 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 calendar year 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.

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GALLIA JACKSON VINTON JOINT VOCATIONAL SCHOOL DISTRICT
GALLIA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

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):	10.555	2022/2023	$19,485
National School Lunch Program			
Cash Assistance			
School Breakfast Program	10.553	2022/2023	73,841
National School Lunch Program	10.555	2022/2023	139,599
Total Cash Assistance			213,440
Total Child Nutrition Cluster			232,925
Pandemic EBT Administrative Costs	10.649	2022	628
Total U.S. Department of Agriculture			233,553
U.S. DEPARTMENT OF EDUCATION			
Direct Program			
Student Financial Assistance Cluster:			
Federal Pell Grant Program	84.063	2022/2023	531,219
Direct Loans	84.268	2022/2023	490,739
Total Student Financial Assistance Cluster			1,021,958
Rural Education	84.358A	2023	25,258
Passed Through Ohio Department of Education and Workforce			
Adult Education - Basic Grants to States - Instructional Grant	84.002A	2022	3,564
	84.002A	2023	102,222
Total Adult Education - Basic Grants to States			105,786
Career and Technical Education - Basic Grants to States - Equity for each Grant	84.048A	2023	200,000
Career and Technical Education - Basic Grants to States - Secondary	84.048A	2022	52,573
	84.048A	2023	225,698
Total Career and Technical Education - Basic Grants to States - Secondary			278,271
Career and Technical Education - Basic Grants to States - Adult	84.048A	2022	6,221
	84.048A	2023	148,628
Total Career and Technical Education - Basic Grants to States - Adult			154,849
Total Career and Technical Education - Basic Grants to States			633,120
COVID-19 Education Stabalization Fund			
Governer's Emergency Education Relief Fund	84.425C	2022	156,802
	84.425C	2023	107,224
Innovative Workplace Incentive Program	84.425D	2022	101,779
	84.425D	2023	404,797
P-20 Regional Partnerships - Workforce	84.425U	2023	166,560
Emergency Relief - Homeless Children and Youth	84.425W	2023	11,500
Total COVID-19 Education Stabalization Fund			948,662
Total U.S. Department of Education			2,734,784
U.S. Department of Health and Human Services			
Passed through Meigs County Department of Job and Family Services			
Temporary Assistance to Needy Families	93.558	2023	122,358
Total Expenditures of Federal Awards			**$3,090,695**

The accompanying notes are an integral part of this Schedule.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Wellston City School District (the School District) under programs of the federal government for the year ended June 30, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in 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 School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

NOTE F - TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with ODE's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The School District transferred the following amounts from 2022 to 2023 programs:

Program Title	AL Number	Amt. Transferred
COVID-19 Education Stabilization Fund - P-20 Regional Partnerships - Workforce	84.425U	$29,111
COVID-19 Education Stabilization Fund - Emergency Relief - Homeless Children and Youth	84.425W	2,500
Adult Education - Basic Grants to States	84.002	11,771

OHIO AUDITOR OF STATE
KEITH FABER

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

Gallia-Jackson-Vinton Joint Vocational School District
Gallia County
P.O. Box 157
Rio Grande, Ohio 45674

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gallia-Jackson-Vinton Joint Vocational School District, Gallia County, Ohio (the School District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated March 14, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

March 14, 2024

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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

Gallia-Jackson-Vinton Joint Vocational School District
Gallia County
P.O. Box 157
Rio Grande, Ohio 45674

To the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Gallia-Jackson-Vinton Joint Vocational School District, Gallia County, Ohio (the School District), compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Gallia-Jackson-Vinton Joint Vocational School District's major federal programs for the year ended June 30, 2023. Gallia-Jackson-Vinton Joint Vocational School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

In our opinion, Gallia-Jackson-Vinton Joint Vocational School District 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, 2023.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

March 14, 2024

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GALLIA-JACKSON-VINTON JOINT VOCATIONAL SCHOOL DISTRICT
GALLIA COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):** • Career and Technical Education – Basic Grants to States AL # 84.048A • Education Stabilization Fund AL # 84.425C, D, and U	
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

GALLIA-JACKSON-VINTON JOINT VOCATIONAL SCHOOL DISTRICT

GALLIA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 3/26/2024

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