SCIOTOVILLE COMMUNITY SCHOOL
SCIOTO COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2024

OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Directors
Sciotoville Community School
224 Marshall Avenue
Sciotoville, Ohio 45662

We have reviewed the *Independent Auditor's Report* of Sciotoville Community School, Scioto County, prepared by BHM CPA Group, Inc., for the audit period July 1, 2023 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

**May 30, 2025**

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**SCIOTOVILLE COMMUNITY SCHOOL**
**SCIOTO COUNTY**

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# INDEPENDENT AUDITOR'S REPORT

Sciotoville Community School
Scioto County
224 Marshall Avenue
Sciotoville, Ohio 45662

To the Board of Directors:

## Report on the Audit of the Financial Statements

***Opinion***

We have audited the financial statements of the Sciotoville Community School, Scioto County, Ohio (the School), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School'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 financial position of the Sciotoville Community School, Scioto County, Ohio, as of June 30, 2024, and the changes in financial position and its cash flows 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, 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'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'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'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 an opinion on the financial statements that collectively comprise the School's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2025, on our consideration of the School'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'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's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
February 27, 2025

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The discussion and analysis of Sciotoville Community School's (the School) financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School'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's financial performance.

## Financial Highlights

Key financial highlights for fiscal year 2024 are as follows:

- The School's net position increased $2,085,583 from the prior fiscal year.
- The most significant change from the prior fiscal year is the increase in federal and state subsidies.

## Using this Financial Report

This financial report contains the basic financial statements of the School, as well as the management's discussion and analysis, notes to the basic financial statements, and required supplementary information. The basic financial statements include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. As the School reports its operations using enterprise fund accounting, all financial transactions and accounts are reported as one activity, therefore the entity-wide and fund presentation information is the same.

*Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows*

The view of the School as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?" The statement of net position and the statement of revenue, expenses and changes in net position answer this question. These statements include all assets, liabilities, and deferred inflows/outflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

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

The statement of cash flows provides information about how the School finances and is meeting its cash flow needs for operations.

Table 1 provides a summary of the School's net position at June 30, 2024 as compared to June 30, 2023.

Table 1
Net Position

| | 2024 | 2023 |
|---|---|---|
| *Assets* | | |
| Current and Other Assets | $2,195,784 | $1,450,526 |
| Capital Assets, Net | 5,053,001 | 3,618,301 |
| Total Assets | 7,248,785 | 5,068,827 |
| | | |
| *Deferred Outflows of Resources* | 1,034,532 | 1,098,230 |
| | | |
| *Liabilities* | | |
| Current and Other Liabilities | 897,185 | 526,004 |
| Noncurrent Liabilities | 4,465,825 | 4,506,295 |
| Total Liabilities | 5,363,010 | 5,032,299 |
| | | |
| *Deferred Inflows of Resources* | 884,910 | 1,184,944 |
| | | |
| *Net Position* | | |
| Net Investment in Capital Assets | 5,038,502 | 3,613,870 |
| Restricted | 429,250 | 268,145 |
| Unrestricted (Deficit) | (3,432,355) | (3,932,201) |
| Total Net Position | $2,035,397 | ($50,186) |

The net pension liability (NPL) is the largest single liability reported by the School at June 30, 2024. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School 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 $2,179,958 due primarily to an increase in capital assets, net, resulting primarily from an increase in construction in progress, which was partially offset by depreciation expense, and due to an increase in intergovernmental receivables, resulting from an increase in reimbursable expenses at year-end. Deferred outflows of resources decreased $63,698 due to a decrease in the actuarially determined amounts related to the School's proportionate share of the state-wide net pension and OPEB liabilities. Total liabilities increased $330,711 due primarily to increases in accounts payable, accrued wages and benefits, and intergovernmental payable. Deferred inflows of resources decreased $300,034 due to a decrease in the actuarially determined amounts related to the School's proportionate share of the state-wide net pension and OPEB liabilities.

Table 2 shows the changes in net position for fiscal years 2024 and 2023.

Table 2
Change in Net Position

| | 2024 | 2023 |
|---|---|---|
| *Operating Revenues* | | |
| Foundation Payments | $3,350,533 | $3,405,546 |
| Extracurricular Activities and Lunchroom Sales | 5,508 | 10,771 |
| Lease Revenue | 0 | 2,633 |
| Other Operating Revenues | 87,251 | 73,143 |
| Total Operating Revenues | 3,443,292 | 3,492,093 |
| *Operating Expenses* | | |
| Salaries | 2,868,794 | 2,705,500 |
| Fringe Benefits | 777,154 | 662,739 |
| Purchased Services | 740,154 | 587,141 |
| Materials and Supplies | 357,628 | 329,058 |
| Cost of Sales | 3,687 | 10,280 |
| Depreciation | 132,195 | 144,574 |
| Other Expenses | 59,949 | 59,821 |
| Total Operating Expenses | 4,939,561 | 4,499,113 |
| Operating Loss | (1,496,269) | (1,007,020) |
| *Nonoperating Revenues* | | |
| Federal Donated Commodities | 19,367 | 10,285 |
| Interest | 17,371 | 0 |
| Federal and State Meal Subsidies | 281,781 | 375,978 |
| Federal and State Subsidies | 3,259,032 | 1,889,019 |
| Other Grants | 0 | 10,950 |
| Other Nonoperating Revenues | 4,301 | 10,730 |
| Lease Interest | 0 | 39 |
| Total Nonoperating Revenues | 3,581,852 | 2,297,001 |
| Change in Net Position | 2,085,583 | 1,289,981 |
| Net Position, Beginning of Year | (50,186) | (1,340,167) |
| Net Position, End of Year | $2,035,397 | ($50,186) |

Operating revenues remained relatively consistent between years, but nonoperating revenues increased $1,284,851, primarily due to increases in federal and state subsidies.

There was an increase in total expenses of $440,448, due primarily to increases in personnel costs and purchased services expenses.

**Capital Assets**

At June 30, 2024, the School had $5,053,001 invested in capital assets, net of accumulated depreciation. Table 3 shows the fiscal year 2024 balances compared to 2023.

Table 3
Capital Assets
(Net of Accumulated Depreciation)

| | 2024 | 2023 |
|---|---|---|
| Land | $378,902 | $378,902 |
| Construction in Progress | 2,315,370 | 777,565 |
| Land Improvements | 85,778 | 97,629 |
| Buildings and Improvements | 1,934,359 | 1,990,495 |
| Furniture, Fixtures, and Equipment | 315,108 | 340,467 |
| Intangible Right to Use-Equipment | 2,650 | 7,436 |
| Vehicles | 20,834 | 25,807 |
| Total | $5,053,001 | $3,618,301 |

Changes in capital assets from the prior year resulted from an increase in construction in progress, which was partially offset by a decrease for depreciation expense. See note 5 of the notes to the basic financial statements for more detailed information related to capital assets.

**Debt**

At fiscal year end, the School has a lease payable for copiers in the amount of $1,899. The School's long-term obligations also include compensated absences and net pension and OPEB liability obligations. See note 10 of the notes to the basic financial statements for more detailed information related to leases and other long-term obligations.

**Contacting the Academy**

This financial report is designed to provide our citizens with a general overview of the School's finances and to show the School's accountability for the money it receives. If you have questions about this report or need additional information, contact the School by writing to the Sciotoville Community School, 224 Marshall Avenue, Sciotoville, Ohio 45662, or by calling (740) 776-6777.

**Sciotoville Community School**
*Statement of Net Position*
*June 30, 2024*

| | |
|---|---|
| **Assets** | |
| *Current Assets* | |
| Cash and Cash Equivalents | $1,484,897 |
| Intergovernmental Receivable | 449,734 |
| Prepaid Items | 5,606 |
| *Total Current Assets* | 1,940,237 |
| *Noncurrent Assets* | |
| Net OPEB Asset | 255,547 |
| Nondepreciable Capital Assets | 2,694,272 |
| Depreciable Capital Assets, Net | 2,358,729 |
| *Total Noncurrent Assets* | 5,308,548 |
| *Total Assets* | 7,248,785 |
| **Deferred Outflows of Resources** | |
| Pension | 836,005 |
| OPEB | 198,527 |
| *Total Deferred Outflows of Resources* | 1,034,532 |
| **Liabilities** | |
| *Current Liabilities* | |
| Accounts Payable | 118,410 |
| Accrued Wages and Benefits Payable | 679,190 |
| Contracts Payable | 12,600 |
| Intergovernmental Payable | 69,655 |
| Compensated Absences Payable, Current | 15,431 |
| Lease Payable, Current | 1,899 |
| *Total Current Liabilities* | 897,185 |
| *Noncurrent Liabilities* | |
| Compensated Absences Payable, Net of Current | 66,059 |
| Net Pension Liability | 4,031,803 |
| Net OPEB Liability | 367,963 |
| *Total Noncurrent Liabilities* | 4,465,825 |
| *Total Liabilities* | 5,363,010 |
| **Deferred Inflows of Resources** | |
| Pension | 319,673 |
| OPEB | 565,237 |
| *Total Deferred Inflows of Resources* | 884,910 |
| **Net Position** | |
| Net Investment in Capital Assets | 5,038,502 |
| Restricted for Net OPEB Asset | 81,767 |
| Restricted for Other Purposes | 347,483 |
| Unrestricted (Deficit) | (3,432,355) |
| *Total Net Position* | $2,035,397 |

See the accompanying notes to the basic financial statements.

**Sciotoville Community School**

*Statement of Revenues, Expenses and Changes in Net Position*

*For the Fiscal Year Ended June 30, 2024*

| | |
|---|---|
| **Operating Revenues** | |
| Foundation Payments | $3,350,533 |
| Extracurricular Activities and Lunchroom Sales | 5,508 |
| Other Operating Revenues | 87,251 |
| *Total Operating Revenues* | 3,443,292 |
| **Operating Expenses** | |
| Salaries | 2,868,794 |
| Fringe Benefits | 777,154 |
| Purchased Services | 740,154 |
| Materials and Supplies | 357,628 |
| Cost of Sales | 3,687 |
| Depreciation | 132,195 |
| Other Operating Expenses | 59,949 |
| *Total Operating Expenses* | 4,939,561 |
| *Operating Loss* | (1,496,269) |
| **Nonoperating Revenues** | |
| Federal Donated Commodities | 19,367 |
| Interest | 17,371 |
| Federal and State Meal Subsidies | 281,781 |
| Federal and State Subsidies | 3,259,032 |
| Other Nonoperating Revenues | 4,301 |
| *Total Nonoperating Revenues* | 3,581,852 |
| *Change in Net Position* | 2,085,583 |
| *Net Position, Beginning of Year* | (50,186) |
| *Net Position, End of Year* | $2,035,397 |

See the accompanying notes to the basic financial statements.

**Sciotoville Community School**
*Statement of Cash Flows*
*For the Fiscal Year Ended June 30, 2024*

| | |
|---|---|
| **Change in Cash and Cash Equivalents** | |
| **Cash Flows from Operating Activities** | |
| Cash Received from Foundation Payments | $3,346,372 |
| Cash Received from Customers | 5,508 |
| Cash Received from Other Operating Revenues | 87,251 |
| Cash Payments for Personal Services | (3,606,971) |
| Cash Payments for Purchased Services | (663,386) |
| Cash Payments for Materials and Supplies | (314,467) |
| Cash Payments for Cost of Sales | (3,687) |
| Cash Payments for Other Expenses | (59,833) |
| *Net Cash Used for Operating Activities* | (1,209,213) |
| **Cash Flows from Noncapital Financing Activities** | |
| Cash Received from Federal and State Meal Subsidies | 255,914 |
| Cash Received from Federal and State Subsidies | 3,054,209 |
| Cash Received from Other Nonoperating Revenues | 4,301 |
| *Net Cash Provided by Noncapital Financing Activities* | 3,314,424 |
| **Cash Flows from Capital and Related Financing Activities** | |
| Capital Acquisitions | (1,554,295) |
| Principal Paid on Debt Obligations | (2,532) |
| *Net Cash Used by Capital and Related Financing Activities* | (1,556,827) |
| **Cash Flows from Investing Activities** | |
| Interest | 17,371 |
| *Net Cash Provided by Investing Activities* | 17,371 |
| *Net Change in Cash and Cash Equivalents* | 565,755 |
| *Cash and Cash Equivalents, Beginning of Year* | 919,142 |
| *Cash and Cash Equivalents, End of Year* | $1,484,897 |
| **Reconciliation of Operating Loss to Net Cash Used for Operating Activities** | |
| Operating Loss | ($1,496,269) |
| Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities: | |
| Depreciation | 132,195 |
| Donated Commodities Received During the Year | 19,367 |
| Change in Assets, Liabilities and Deferred Inflows/Outflows of Resources: | |
| Increase in Intergovernmental Receivable | (33,820) |
| Decrease in Inventories | 4,539 |
| Increase in Prepaids | (309) |
| Decrease in Net OPEB Asset | 80,777 |
| Decrease in Deferred Outflows of Resources | 63,698 |
| Increase in Accounts Payable | 96,139 |
| Increase in Accrued Wages and Benefits Payable | 242,295 |
| Increase in Intergovernmental Payable | 30,769 |
| Decrease in Compensated Absences | (17,683) |
| Decrease in Net Pension Liability | (75,084) |
| Increase in Net OPEB Liability | 44,207 |
| Decrease in Deferred Inflows of Resources | (300,034) |
| Net Cash Used for Operating Activities | ($1,209,213) |

See the accompanying notes to the basic financial statements.

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## Note 1 – Description of the School and Reporting Entity

Sciotoville Community School (the School) is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702 to address the needs of students in grades kindergarten through 12. The School, which is part of the State's education program, is independent of any Community School and is nonsectarian in its programs, admission policies, employment practices, and all other operations. The School may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the School. Sciotoville Community School qualifies as an exempt organization under Section 501(c) (3) of the Internal Revenue Code. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School's tax exempt status.

The Board of Directors signed a three year sponsorship contract with Thomas B. Fordham on May 19, 2022, for fiscal years 2023, 2024 and 2025. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration.

The School operates under the direction of a five-member Board of Directors. The Board members are elected at-large by the citizens of the community for staggered four-year terms. The Board of Directors is responsible for carrying out the provisions of the contract which include, but are not limited to, State-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualifications of teachers. The Board of Directors controls the School's support facilities staffed by certified and classified full-time personnel who provide services to students.

### Reporting Entity

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

Component units are legally separate organizations for which the School is financially accountable. The School is financially accountable for an organization if the School appoints a voting majority of the organization's governing board and (1) the School is able to significantly influence the programs or services performed or provided by the organization; or (2) the School is legally entitled to or can otherwise access the organization's resources; the School is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School in that the School approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the School. The Sciotoville Elementary Academy (the Academy), which began operations July 1, 2008, and ended operations on July 1, 2017, was governed by the same Governing Board as the Sciotoville Community School. Since the Sciotoville Elementary has closed, the School no longer has a component unit.

## Note 2 – Summary of Significant Policies

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

### Basis of Presentation

The School's basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows.

During the fiscal year, the School segregates transactions related to certain School functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. For financial reporting, the School uses a single enterprise fund presentation.

Enterprise fund reporting focuses on the determination of the change in net position, financial position and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods and services.

**Measurement Focus**

The accounting and financial reporting treatment of the School's financial transactions is determined by the School's measurement focus. Enterprise fund accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The Statement of Cash Flows provides information about how the School finances and meets its cash flow needs.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. Basis of accounting relates to the timing of the measurements made. The School's financial statements are prepared using the accrual basis of accounting.

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.

Non-exchange transactions, in which the School receives value without directly giving equal value in return, include grants, entitlements, and donations. 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 fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School on a reimbursement basis.

Expenses are recognized at the time they are incurred.

**Cash and Cash Equivalents**

The School's Treasurer accounts for all monies received by the School. The School maintains a checking account, a savings account, a government insured deposit program account, and a STAR Ohio account, and all funds of the School are maintained in these accounts. These accounts are presented on the Statement of Net Position as "Cash and Cash Equivalents". For purposes of the Statement of Net Position, investments with an original maturity of three months or less at the time they are purchased by the School are considered to be cash equivalents.

During fiscal year 2024, the School invested in STAR Ohio (the State Treasury Asset Reserve of Ohio), an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, Certain External Investment Pools and Pool Participants. The School measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of $100 million or more is appreciated. STAR Ohio reserves the right to limit the transaction to $250 million per day.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School, deferred outflows of resources are reported on the statement of net position for pension and OPEB plans. The deferred outflows of resources related to pension and OPEB are explained in Notes 7 and 8.

In addition to liabilities, the statement of financial position reports 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, deferred inflows of resources included pension and OPEB plans. The deferred inflows of resources related to pension and OPEB are explained in Notes 7 and 8.

**Budgetary Process**

Unlike other public schools located in the State of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Revised Code Chapter 5705, unless specifically provided in the contract between the School and its Sponsor. The contract between the School and its Sponsor does not prescribe a budgetary process for the School; therefore, no budgetary information is presented in the financial statements.

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method. 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.

**Inventory**

Materials and supplies inventory is reported at cost, while inventory held for resale is presented at the lower of cost or market value, and donated commodities are presented at their entitlement value. Inventories are presented on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food held for resale. The School did not have significant inventories to report at June 30, 2024.

**Capital Assets**

Capital assets (except for intangible right-to-use lease assets which are discussed below) are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The School maintains a capitalization threshold of $1,000 for all capital assets. The School does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

| Description | Estimated Lives |
|---|---|
| Land Improvements | 15-20 years |
| Buildings and Improvements | 15-50 years |
| Furniture, Fixtures and Equipment | 3-20 years |
| Vehicles | 5-10 years |

The School is reporting an intangible right to use asset related to lease asset. The lease assets include equipment and represent nonfinancial assets which are being utilized for a period of time through leases from another entity. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, these intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

**Compensated Absences**

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School 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's termination policy. The School records a liability for accumulated unused sick leave for employees with at least five years of current service for all positions (including certified and non-certified staff).

**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 (gain), 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.

**Net Position**

Net Position represents the difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. 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 the enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Restricted Net Position for OPEB Asset represents the corresponding restricted asset amounts after considering the related deferred outflows and deferred inflows.

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activities of the School. These revenues consist of certain intergovernmental revenues, lease revenues, interest revenues and sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the School. Revenues and expenses not meeting these definitions are reported as nonoperating.

**Intergovernmental Revenues**

The School currently participates in the State Foundation Program and the State Special Education Program. Revenues received from these programs are recognized as operating revenues in the accounting period in which all eligibility requirements have been met.

The remaining grants and entitlements received by the School are recognized as non-operating revenues in the accounting period in which eligibility requirements have been met.

**Estimates**

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

## Note 3 – Cash Deposits

At June 30, 2024, the carrying amount of all of the School’s deposits was $1,219,613 and the bank balance was $1,358,525. The School also had cash on hand of $800 at June 30, 2024.

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

As of June 30, 2024, the School had the following investment:

| Measurement/Investment | Measurement Amount | Maturity | Rating | Percent of Total Investments |
|---|---|---|---|---|
| *Net Asset Value per Share:* | | | | |
| STAR Ohio | $264,484 | 38.5 Days | AAAm | 100% |

As discussed in Note 2, the School’s investment in STAR Ohio is reported at the net asset value per share, which approximates fair value.

## Note 4 – Receivables

Receivables at June 30, 2024, consist of intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds. All receivable amounts are expected to be received within one year.

A summary of the principal items of intergovernmental receivables follows:

| | |
|---|---|
| Elementary and Secondary School Emergency Relief Grant | $134,794 |
| 21st Century Grant | 63,896 |
| IDEA B Grant | 63,268 |
| Title I-A | 119,028 |
| Expanding Opportunities for Each Child Grant | 237 |
| Title IV-A Grant | 3,584 |
| Title II-A Grant | 5,240 |
| Federal and State Meal Subsidies | 25,867 |
| Scholl Employees Retirement System Refund | 29,659 |
| State Foundation Adjustment | 4,161 |
| Total Intergovernmental Receivables | $449,734 |

**Note 5 – Capital Assets**

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

| | Balance 6/30/23 | Additions | Deletions | Balance 6/30/24 |
|---|---|---|---|---|
| *Capital Assets Not Being Depreciated:* | | | | |
| Land | $378,902 | $0 | $0 | $378,902 |
| Construction in Progress | 777,565 | 1,537,805 | 0 | 2,315,370 |
| Total Capital Assets Not Being Depreciated | 1,156,467 | 1,537,805 | 0 | 2,694,272 |
| *Capital Assets Being Depreciated:* | | | | |
| Land Improvements | 262,046 | 0 | 0 | 262,046 |
| Buildings and Improvements | 3,128,871 | 16,515 | 0 | 3,145,386 |
| Furniture, Fixtures and Equipment | 764,114 | 12,575 | 0 | 776,689 |
| Intangible Right to Use-Equipment* | 13,293 | 0 | 0 | 13,293 |
| Vehicles | 90,036 | 0 | 0 | 90,036 |
| Total Capital Assets Being Depreciated | 4,258,360 | 29,090 | 0 | 4,287,450 |
| *Less Accumulated Depreciation:* | | | | |
| Land Improvements | (164,417) | (11,851) | 0 | (176,268) |
| Buildings and Improvements | (1,138,376) | (72,651) | 0 | (1,211,027) |
| Furniture, Fixtures and Equipment | (423,647) | (37,934) | 0 | (461,581) |
| Intangible Right to Use-Equipment* | (5,857) | (4,786) | 0 | (10,643) |
| Vehicles | (64,229) | (4,973) | 0 | (69,202) |
| Total Accumulated Depreciation | (1,796,526) | (132,195) | 0 | (1,928,721) |
| Total Capital Assets Being Depreciated, Net | 2,461,834 | (103,105) | 0 | 2,358,729 |
| Total Capital Assets, Net | $3,618,301 | $1,434,700 | $0 | $5,053,001 |

*Of the current year depreciation total of $132,195, $4,786 is presented as an operating expense on the Statement of Revenues, Expenses and Changes in Net Position related to the School's intangible copier assets, which are included as an Intangible Right to Use Asset. With the implementation of Governmental Accounting Standards Board Statement No. 87, "Leases", a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

## Note 6 – Risk Management

### Property and Liability

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2024, the School contracted with Schools of Ohio Risk Sharing Authority for general liability, property insurance, and educational errors and omissions insurance.

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

### Workers' Compensation

The School pays the State Workers' Compensation System a premium for employee injury coverage. The premium is calculated by multiplying the annual total gross payroll by a factor that is calculated by the State. The Governing Board has chosen Sedgwick to act as the managed care organization and participates in the Sedgwick Claims Management Services Group Retrospective Rating Workers Compensation Program.

## Note 7 – Defined Benefit Pension Plans

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

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

The net pension/OPEB liability (asset) reported on the statement of net position represents a liability to (asset for) employees for pensions/OPEB. Pensions and 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 pension/OPEB 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'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.

The Ohio Revised Code limits the School's obligation for these liabilities to annually required payments. The School cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the School 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 health care to eligible benefit recipients.

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

The remainder of this note includes the required pension disclosures. See note 8 for the required OPEB disclosures.

**School Employees Retirement System (SERS)**

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

The School's contractually required contributions to SERS were $105,145 for fiscal year 2024. Of this amount, $0 was reported as an intergovernmental payable.

**State Teachers Retirement System (STRS)**

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

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

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

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

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

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

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

The School's contractually required contributions to STRS were $291,031 for fiscal year 2024. Of this amount, $46,346 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School'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 | 0.0217573% | 0.01313958% | |
| Proportion of the Net Pension Liability Prior Measurement Date | 0.0225458% | 0.01298884% | |
| Change in Proportionate Share | -0.0007885% | 0.00015074% | |
| Proportionate Share of the Net Pension Liability | $1,202,203 | $2,829,600 | $4,031,803 |
| Pension Expense | $94,397 | $179,437 | $273,834 |

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At June 30, 2024, the School 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 | $51,674 | $103,161 | $154,835 |
| Changes of assumptions | 8,516 | 233,033 | 241,549 |
| Changes in proportion and differences between School contributions and proportionate share of contributions | 8,294 | 35,151 | 43,445 |
| School contributions subsequent to the measurement date | 105,145 | 291,031 | 396,176 |
| Total Deferred Outflows of Resources | $173,629 | $662,376 | $836,005 |
| *Deferred Inflows of Resources* | | | |
| Differences between expected and actual experience | $0 | $6,279 | $6,279 |
| Changes of assumptions | 0 | 175,407 | 175,407 |
| Net difference between projected and actual earnings on pension plan investments | 16,899 | 8,480 | 25,379 |
| Changes in proportion and differences between School contributions and proportionate share of contributions | 31,041 | 81,567 | 112,608 |
| Total Deferred Inflows of Resources | $47,940 | $271,733 | $319,673 |

$396,176 reported as deferred outflows of resources related to pension resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (gain) as follows:

| | SERS | STRS | Total |
|---|---|---|---|
| Fiscal Year Ending June 30: | | | |
| 2025 | $6,353 | ($66,212) | ($59,859) |
| 2026 | (56,637) | (103,142) | (159,779) |
| 2027 | 69,936 | 282,601 | 352,537 |
| 2028 | 892 | (13,635) | (12,743) |
| Total | $20,544 | $99,612 | $120,156 |

**Actuarial Assumptions – SERS**

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2137.

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

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

| | |
|---|---|
| Inflation | 2.4 percent |
| Future Salary Increases, including inflation | 3.25 percent to 13.58 percent |
| COLA or Ad Hoc COLA | 2.00 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement |
| Investment Rate of Return | 7.00 percent net of System expenses |
| Actuarial Cost Method | Entry Age Normal (Level Percent of Payroll) |

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

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2023:

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

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

***Sensitivity of the School'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's proportionate share of the net pension liability | $1,774,390 | $1,202,203 | $720,244 |

**Actuarial Assumptions – STRS**

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

| | |
|---|---|
| Inflation | 2.50 percent |
| Projected Salary Increases | From 2.50 percent to 8.50 percent based on service |
| Investment Rate of Return | 7.00 percent, net of investment expenses, including inflation |
| Discount Rate of Return | 7.00 percent |
| Payroll Increases | 3.00 percent |
| Cost-of-Living Adjustments (COLA) | 0.00 percent, effective July 1, 2017 |

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

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

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

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

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

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

***Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** The following table presents the School'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'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's proportionate share of the net pension liability | $4,351,299 | $2,829,600 | $1,542,660 |

**<u>Note 8 – Defined Benefit OPEB Plans</u>**

See note 7 for a description of the net OPEB liability (asset).

**School Employees Retirement System (SERS)**

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

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

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

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was $30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2024, the School's surcharge obligation was $13,087.

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's contractually required contribution to SERS for health care was $13,087 for fiscal year 2024. Of this amount, $13,087 was reported as an intergovernmental payable.

**State Teachers Retirement System (STRS)**

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

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

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

The net OPEB liability (asset) was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School's proportion of the net OPEB liability (asset) was based on the School'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 (gain):

| | SERS | STRS | Total |
|---|---|---|---|
| Proportion of the Net OPEB Liability (Asset) Current Measurement Date | 0.0223354% | 0.0131396% | |
| Proportion of the Net OPEB Liability (Asset) Prior Measurement Date | 0.0230594% | 0.0129888% | |
| Change in Proportionate Share | -0.0007240% | 0.0001507% | |
| Proportionate Share of the Net OPEB Liability | $367,963 | $0 | $367,963 |
| Proportionate Share of the Net OPEB Asset | $0 | ($255,547) | ($255,547) |
| OPEB Expense (Gain) | ($22,644) | ($28,364) | ($51,008) |

At June 30, 2024, the School 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 | $766 | $398 | $1,164 |
| Changes of assumptions | 124,419 | 37,646 | 162,065 |
| Net difference between projected and actual earnings on pension plan investments | 2,852 | 457 | 3,309 |
| Changes in proportionate share and difference between School contributions and proportionate share of contributions | 18,471 | 431 | 18,902 |
| School contributions subsequent to the measurement date | 13,087 | 0 | 13,087 |
| Total Deferred Outflows of Resources | $159,595 | $38,932 | $198,527 |
| *Deferred Inflows of Resources* | | | |
| Differences between expected and actual experience | $189,772 | $38,978 | $228,750 |
| Changes of assumptions | 104,507 | 168,606 | 273,113 |
| Changes in proportionate share and difference between School contributions and proportionate share of contributions | 58,246 | 5,128 | 63,374 |
| Total Deferred Inflows of Resources | $352,525 | $212,712 | $565,237 |

$13,087 reported as deferred outflows of resources related to OPEB resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or increase in the net OPEB asset in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (gain) as follows:

| | SERS | STRS | Total |
|---|---|---|---|
| Fiscal Year Ending June 30: | | | |
| 2025 | ($56,009) | ($78,541) | ($134,550) |
| 2026 | (55,942) | (35,055) | (90,997) |
| 2027 | (40,405) | (13,328) | (53,733) |
| 2028 | (24,619) | (17,831) | (42,450) |
| 2029 | (16,178) | (16,372) | (32,550) |
| Thereafter | (12,864) | (12,653) | (25,517) |
| Total | ($206,017) | ($173,780) | ($379,797) |

**Actuarial Assumptions – SERS**

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

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

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

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

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

Mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table. Mortality rates are projected using a fully generational projection with Scale MP-2020.

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020 and was adopted by the Board on April 15, 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2023:

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

***Discount Rate*** The discount rate used to measure the total OPEB liability at June 30, 2023, was 4.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2023, was 4.08 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022, and the June 30, 2023, total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate was 3.86 percent at June 30, 2023, and 3.69 percent at June 30, 2022.

***Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates*** The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net

OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

| | 1% Decrease (3.27%) | Current Discount Rate (4.27%) | 1% Increase (5.27%) |
|---|---|---|---|
| School's proportionate share of the net OPEB liability | $470,363 | $367,963 | $287,218 |

| | 1% Decrease (5.75% decreasing to 3.40%) | Current Trend Rate (6.75% decreasing to 4.40%) | 1% Increase (7.75% decreasing to 5.40%) |
|---|---|---|---|
| School's proportionate share of the net OPEB liability | $270,330 | $367,963 | $497,341 |

**Actuarial Assumptions – STRS**

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

| | June 30, 2023 | June 30, 2022 |
|---|---|---|
| Projected Salary Increases | Varies by service from 2.50 percent to 8.50 percent | Varies by service from 2.50 percent to 8.50 percent |
| Investment Rate of Return | 7.00 percent, net of investment expenses, including inflation | 7.00 percent, net of investment expenses, including inflation |
| Payroll Increases | 3.00 percent | 3.00 percent |
| Discount Rate of Return | 7.00 percent | 7.00 percent |
| Health Care Cost Trends: | | |
| Medical: | | |
| Pre-Medicare | 7.50 percent initial, 4.14 percent ultimate | 7.50 percent initial, 3.94 percent ultimate |
| Medicare | -10.94 percent initial, 4.14 percent ultimate | -68.78 percent initial, 3.94 percent ultimate |
| Prescription Drug: | | |
| Pre-Medicare | -11.95 percent initial, 4.14 percent ultimate | 9.00 percent initial, 3.94 percent ultimate |
| Medicare | 1.33 percent initial, 4.14 percent ultimate | -5.47 percent initial, 3.94 percent ultimate |

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

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

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

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

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

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

***Discount Rate*** The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023. 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, 2023. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

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

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| School's proportionate share of the net OPEB asset | ($216,287) | ($255,547) | ($289,738) |

| | 1% Decrease | Current Trend Rate | 1% Increase |
|---|---|---|---|
| School's proportionate share of the net OPEB asset | ($291,324) | ($255,547) | ($212,453) |

## Note 9 – Employee Benefits

### Compensated Absences

The criteria for determining vacation benefits are derived from policies and procedures approved by the Board of Directors. Non-certified employees earn 10 to 20 days of vacation per fiscal year, depending upon their length of service. Accumulated unused vacation time is paid to non-certified employees upon termination of employment up to a maximum payment of 40 days. Teachers do not earn vacation.

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 215 days. Upon retirement, payment is made for one-fourth of the total sick leave accumulation for those employees with five years of continuous service and who apply and qualify for retirement under SERS or STRS Ohio.

**Insurance Benefits**

The School is part of Scioto Health Plan, SE Division of OHI which provides insurance benefits (medical through Anthem, prescription through Express Scripts and dental through Delta Dental) for eligible employees. The School also provides vision benefits through Vision Service Plan. Life insurance is provided through American SHP-MMO.

**Deferred Compensation**

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

## Note 10 – Long-Term Obligations

The changes in the School's long-term obligations during fiscal year 2024 were as follows:

| Long-Term Obligations | Amount Outstanding 6/30/23 | Additions | Deductions | Amount Outstanding 6/30/24 | Current Portion |
|---|---|---|---|---|---|
| *Net Pension Liability:* | | | | | |
| STRS | $2,887,434 | $0 | ($57,834) | $2,829,600 | $0 |
| SERS | 1,219,453 | 0 | (17,250) | 1,202,203 | 0 |
| Total Net Pension Liability | 4,106,887 | 0 | (75,084) | 4,031,803 | 0 |
| *Net OPEB Liability:* | | | | | |
| SERS | 323,756 | 44,207 | 0 | 367,963 | 0 |
| *Other Liabilities:* | | | | | |
| Lease Payable | 4,431 | 0 | (2,532) | 1,899 | 1,899 |
| Compensated Absences | 93,012 | 58,427 | (69,949) | 81,490 | 15,431 |
| Total Other Liabilities | 97,443 | 58,427 | (72,481) | 83,389 | 17,330 |
| Total Long-Term Obligations | $4,528,086 | $102,634 | ($147,565) | $4,483,155 | $17,330 |

**Lease Payable**

The School has an outstanding agreement to lease copiers. This lease has met the criteria of a lease under GASB Statement No. 87 and there is required to be reported by the School. A summary of the principal amounts for the remaining lease is as follows:

| Fiscal Year Ending June 30, | Total Payments |
|---|---|
| 2025 | $1,899 |

The School pays obligations relating to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension/OPEB liability. Employer pension/OPEB contributions are made primarily from the General Fund. For additional information related to the net pension/OPEB liability, see Notes 7 and 8.

## Note 11 - Contingencies

### Grants

The School received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School at June 30, 2024, if applicable, cannot be determined at this time.

### School Foundation

Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education and Workforce (DEW) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. Adjustments for fiscal year 2024 have been finalized. A receivable of $4,161 has been reported in the accompanying financial statements as a result of these adjustments.

### Litigation

The School is not currently party to litigation.

## Note 12 – Jointly Governed Organizations

### Metropolitan Educational Technology Association (META)

The School is a participant in the Metropolitan Educational Technology Association (META), which is a computer consortium and a regional council of governments. META is an educational solutions partner providing services across Ohio. META provides cost-effective fiscal, network, technology, and student services, a purchasing cooperative, and other individual services based on each client's needs.

The governing board of META consists of a president, vice president and twelve board members who represent the members of META. The Board works with META's Chief Executive Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each school's degree of control is limited to its representation on the Board. The School paid META $19,682 for services provided during the fiscal year. Financial information can be obtained from META Solutions, Ashley Widby, CFO, 100 Executive Drive, Marion Ohio 43302.

## Note 13 – Public Entity Shared Risk Pool

### Optimal Health Initiatives Consortium

The School is a member of the Optimal Health Initiatives Consortium (the Consortium), a public entity shared risk pool, consisting of Community Schools whose self-insurance programs for health care benefits were administered previously under the Scioto County Schools Council of Governments, the Northern Buckeye Education Council, and the Butler Health Plan. The overall objective of the Consortium is to enable its members to purchase employee benefits and related products and services using the Consortium's economies of scale to create cost-savings. The Council's business and affairs are managed by an Executive Board of Trustees, consisting of the chairperson of each division's board of trustees and the chairperson of the Butler Health Plan. The participants pay an administrative fee to the fiscal agent to cover the costs of administering the Consortium. To obtain financial information, write to the fiscal agent, Todd Rosenbaum CPA, MCM, CPAs & Advisors, 201 East 5th Street, Suite 2100, Cincinnati, Ohio 45202.

## Note 14 – Financial Services

On June 24, 2021, the Board of Directors approved an agreement with the South Central Ohio Educational Service Center to provide full financial services through December 31, 2023. The agreement stipulated that the Educational Service Center was responsible to fully initiate and conduct all requirements of the Treasurer's office. These services were provided at a cost of $64,792 for fiscal year 2024.

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**Sciotoville Community School**

*Required Supplementary Information*

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

*Last Ten Fiscal Years*

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| *State Teachers Retirement System* | | | | | | | | | | |
| School's proportion of the net pension liability | 0.17589400% | 0.01727294% | 0.01617976% | 0.01467454% | 0.01417028% | 0.01372232% | 0.01295297% | 0.013405310% | 0.012988840% | 0.013139580% |
| School's proportionate share of the net pension liability | $4,278,352 | $4,773,738 | $5,415,853 | $3,485,967 | $3,115,725 | $3,034,608 | $3,134,157 | $1,713,988 | $2,887,434 | $2,829,600 |
| School's covered-employee payroll | $1,852,477 | $1,810,100 | $1,784,043 | $1,345,314 | $1,775,536 | $1,696,971 | $1,564,036 | $1,539,043 | $1,696,279 | $1,691,736 |
| School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 231.0% | 263.7% | 303.6% | 259.1% | 175.5% | 178.8% | 200.4% | 111.4% | 170.2% | 167.3% |
| Plan fiduciary net position as a percentage of the total pension liability | 74.7% | 72.1% | 66.8% | 75.3% | 77.3% | 77.4% | 75.5% | 87.8% | 78.9% | 80.0% |
| *School Employees Retirement System* | | | | | | | | | | |
| School's proportion of the net pension liability | 0.01640900% | 0.01796770% | 0.01959440% | 0.02087020% | 0.02188700% | 0.02423650% | 0.02324710% | 0.022087400% | 0.022545800% | 0.021757300% |
| School's proportionate share of the net pension liability | $830,450 | $1,025,254 | $1,434,129 | $1,246,948 | $1,253,551 | $1,450,111 | $1,537,612 | $814,962 | $1,219,453 | $1,202,203 |
| School's covered-employee payroll | $470,476 | $557,883 | $603,693 | $680,114 | $701,064 | $756,693 | $787,436 | $789,957 | $842,214 | $863,171 |
| School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 176.5% | 183.8% | 237.6% | 183.3% | 178.8% | 191.6% | 195.3% | 103.2% | 144.8% | 139.3% |
| Plan fiduciary net position as a percentage of the total pension liability | 71.7% | 69.2% | 63.0% | 69.5% | 71.4% | 70.9% | 68.6% | 82.9% | 75.8% | 76.1% |

The amounts presented are as of the School's measurement date, which is the prior fiscal year end.
See accompanying notes ot the required supplementary information.

**Sciotoville Community School**
*Required Supplementary Information*
*Schedule of the School's Proportionate Share of the Net OPEB Liability (Asset)*
*Last Eight Fiscal Years*

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|
| *State Teachers Retirement System* | | | | | | | | |
| School's proportion of the net OPEB liability (asset) | 0.01617976% | 0.01467454% | 0.01417028% | 0.01372232% | 0.01295297% | 0.013405310% | 0.012988840% | 0.013139580% |
| School's proportionate share of the net OPEB liability (asset) | $865,298 | $572,547 | ($227,702) | ($227,275) | ($227,649) | ($282,640) | ($336,324) | ($255,547) |
| School's covered-employee payroll | $1,784,043 | $1,345,314 | $1,775,536 | $1,696,971 | $1,564,036 | $1,539,043 | $1,696,279 | $1,691,736 |
| School's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll | 48.5% | 42.6% | -12.8% | -13.4% | -14.6% | -18.4% | -19.8% | -15.1% |
| Plan fiduciary net position as a percentage of the total OPEB liability (asset) | 37.3% | 47.1% | 176.0% | 174.7% | 182.1% | 174.7% | 230.7% | 168.5% |
| *School Employees Retirement System* | | | | | | | | |
| School's proportion of the net OPEB liability | 0.01988310% | 0.02118820% | 0.02215060% | 0.02472530% | 0.02411410% | 0.02297310% | 0.02305940% | 0.02233540% |
| School's proportionate share of the net OPEB liability | $566,742 | $568,635 | $614,518 | $621,790 | $524,079 | $434,785 | $323,756 | $367,963 |
| School's covered-employee payroll | $603,693 | $680,114 | $701,064 | $756,693 | $787,436 | $789,957 | $842,214 | $863,171 |
| School's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll | 93.9% | 83.6% | 87.7% | 82.2% | 66.6% | 55.0% | 38.4% | 42.6% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 11.5% | 12.5% | 13.6% | 15.6% | 18.2% | 24.1% | 30.3% | 30.0% |

The amounts presented are as of the School's measurement date, which is the prior fiscal year end.
Information not available prior to 2017.
See accompanying notes ot the required supplementary information.

**Sciotoville Community School**
*Required Supplementary Information*
*Schedule of School Contributions*
*Last Ten Fiscal Years*

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| *State Teachers Retirement System* | | | | | | | | | | |
| Contractually required contribution - pension | $253,414 | $249,766 | $188,344 | $248,575 | $237,576 | $218,965 | $215,466 | $237,479 | $236,843 | $291,031 |
| Contractually required contribution - OPEB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contractually required contribution - total | 253,414 | 249,766 | 188,344 | 248,575 | 237,576 | 218,965 | 215,466 | 237,479 | 236,843 | 291,031 |
| Contributions in relation to the contractually required contribution | 253,414 | 249,766 | 188,344 | 248,575 | 237,576 | 218,965 | 215,466 | 237,479 | 236,843 | 291,031 |
| Contribution deficiency (excess) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| School's covered-employee payroll | $1,810,100 | $1,784,043 | $1,345,314 | $1,775,536 | $1,696,971 | $1,564,036 | $1,539,043 | $1,696,279 | $1,691,736 | $2,078,793 |
| Contributions as a percentage of covered-employee payroll - pension | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% |
| Contributions as a percentage of covered-employee payroll - OPEB | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Contributions as a percentage of covered-employee payroll - total | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% |
| *School Employees Retirement System* | | | | | | | | | | |
| Contractually required contribution - pension | $73,529 | $84,517 | $95,216 | $98,149 | $102,154 | $110,241 | $110,594 | $117,910 | $120,844 | $105,145 |
| Contractually required contribution - OPEB (1) | 7,896 | 0 | 0 | 3,635 | 3,783 | 0 | 0 | 0 | 0 | 0 |
| Contractually required contribution - total | 81,425 | 84,517 | 95,216 | 101,784 | 105,937 | 110,241 | 110,594 | 117,910 | 120,844 | 105,145 |
| Contributions in relation to the contractually required contribution | 81,425 | 84,517 | 95,216 | 101,784 | 105,937 | 110,241 | 110,594 | 117,910 | 120,844 | 105,145 |
| Contribution deficiency (excess) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| School's covered-employee payroll | $557,883 | $603,693 | $680,114 | $701,064 | $756,693 | $787,436 | $789,957 | $842,214 | $863,171 | $751,036 |
| Contributions as a percentage of covered-employee payroll - pension | 13.18% | 14.00% | 14.00% | 13.50% | 13.50% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% |
| Contributions as a percentage of covered-employee payroll - OPEB | 0.82% | 0.00% | 0.00% | 0.50% | 0.50% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Contributions as a percentage of covered-employee payroll - total | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% |

(1) Excludes surcharge.
See accompanying notes ot the required supplementary information.

## State Teachers Retirement System

### Pension

Changes in benefit terms

There were no changes to benefit terms for fiscal years 2015 through 2017. For fiscal year 2018, the cost of living adjustment (COLA) was reduced to 0 percent effective July 1, 2017. There were no changes to benefit terms for fiscal years 2019 through 2024.

Changes in assumptions

There were no changes in assumptions for fiscal years 2015 through 2017.

For fiscal year 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Inflation assumptions were lowered from 2.75 percent to 2.5 percent.
- Investment return assumptions were lowered from 7.75 percent to 7.45 percent.
- Total salary increases rates were lowered by decreasing merit component of the individual salary increases, as well as by 0.25 percent due to lower inflation.
- Payroll growth assumptions were lowered from 3.5 percent to 3.0 percent.
- Updated the health and disability mortality assumption to the RP-2014 mortality tables with generational improvement scale MP-2016.
- Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

There were no changes in assumptions for fiscal years 2019 through 2021.

For fiscal year 2022, the following was the most significant change of assumptions that affected the total pension liability since the prior measurement date:

- Investment rate of return and discount rate of return assumptions were lowered from 7.45 percent to 7.0 percent.

For fiscal year 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Updated the health and disability mortality assumption to the PUB-2010 mortality tables with generational improvement scale MP-2020.
- The projected salary increases changed from 12.50 percent at age 20 to 2.50 percent at age 65 to varying by service from 2.50 percent to 8.50 percent.

There were no changes in assumptions for fiscal year 2024.

### OPEB

Changes in benefit terms

There were no changes to benefit terms for fiscal year 2017.

For fiscal year 2018, STRS has the following changes in benefit terms since the previous measurement date:

- The HealthSpan HMO plans were eliminated.

- The subsidy multiplier for non-Medicare benefit recipients was reduced to 1.9 percent per year of service from 2.1 percent.
- Medicare Part B premium reimbursements were discontinued for survivors and beneficiaries who were age 65 by 2008 and either receiving a benefit or named as a beneficiary as of January 1, 2008.
- The remaining Medicare Part B premium reimbursements will be phased out over a three-year period.

For fiscal year 2019, the following was the most significant change in benefit terms that affected the total OPEB liability since the prior measurement date:

- The subsidy multiplier for non-Medicare benefit recipients increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements were scheduled to be discontinued beginning January 1, 2020, though the STRS Board voted in June 2019 to extent the current Medicare Part B partial reimbursement for one year.

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

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

For fiscal year 2022, 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.

There were no changes to benefit terms for fiscal years 2023 and 2024.

<u>Changes in assumptions</u>

There were no changes in assumptions for fiscal year 2017.

For fiscal year 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB 74.
- The long-term rate of return was reduced to 7.45 percent.
- Valuation-year per capita health costs were updated.
- The percentage of future retirees electing each option was updated based on current data.
- The assumed future trend rates were modified.
- Decrement rates including mortality, disability, retirement, and withdrawal were modified.
- The assumed percentage of future disabled retirees assumed to elect health coverage was decreased from 84 percent to 65 percent, and the assumed percentage of terminated vested participants assumed to elect health coverage at retirement was decreased from 47 percent to 30 percent.

- The assumed salary scale was modified.

For fiscal year 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate increased from a 4.13 percent blended discount rate to 7.45 percent.
- The health care trend assumption rate changed from 6 to 11 percent initial, 4.5 percent ultimate to:
    - Medical Medicare – 5 percent initial, 4 percent ultimate
    - Medical Pre-Medicare – 6 percent initial, 4 percent ultimate
    - Prescription Drug Medicare – -5.23 percent initial, 4 percent ultimate
    - Prescription Drug Pre-Medicare – 8 percent initial, 4 percent ultimate

For fiscal year 2020, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
    - Medical Medicare – from 5 percent to 4.93 percent initial, 4 percent ultimate
    - Medical Pre-Medicare – from 6 percent to 5.87 percent initial, 4 percent ultimate
    - Prescription Drug Medicare – from -5.23 percent to 9.62 percent initial, 4 percent ultimate
    - Prescription Drug Pre-Medicare – from 8 percent to 7.73 initial, 4 percent ultimate

For fiscal year 2021, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
    - Medical Medicare – from 4.93 percent to -6.69 percent initial, 4 percent ultimate
    - Medical Pre-Medicare – from 5.87 percent to 5 percent initial, 4 percent ultimate
    - Prescription Drug Medicare – from 9.62 percent to 11.87 percent initial, 4 percent ultimate
    - Prescription Drug Pre-Medicare – from 7.73 percent to 6.5 initial, 4 percent ultimate

For fiscal year 2022, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate increased from 7.45 percent to 7.0 percent.
- The health care trend assumption rate changed as follows:
    - Medical Medicare – from -6.69 percent initial, 4 percent ultimate to -16.18 percent initial, 4 percent ultimate
    - Prescription Drug Medicare – from 11.87 percent initial, 4 percent ultimate to 29.98 percent initial, 4 percent ultimate

For fiscal year 2023, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
    - Medical Pre-Medicare – from 5.00 percent initial, 4 percent ultimate to 7.50 percent initial, 3.94 percent ultimate
    - Medical Medicare – from -16.18 percent initial, 4 percent ultimate to -68.78 percent initial, 3.94 percent ultimate
    - Prescription Drug Pre-Medicare – from 6.50 percent initial, 4 percent ultimate to 9.00 percent initial, 3.94 percent ultimate
    - Prescription Drug Medicare – from 29.98 percent initial, 4 percent ultimate to -5.47 percent initial, 3.94 percent ultimate
- Updated the health and disability mortality assumption to the PUB-2010 mortality tables with generational improvement scale MP-2020.

- The projected salary increases changed from 12.50 percent at age 20 to 2.50 percent at age 65 to varying by service from 2.50 percent to 8.50 percent.

For fiscal year 2024, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
  - Medical Pre-Medicare – from 7.50 percent initial, 3.94 percent ultimate to 7.50 percent initial, 4.14 percent ultimate
  - Medical Medicare – from -68.78 percent initial, 3.94 percent ultimate to -10.94 percent initial, 4.14 percent ultimate
  - Prescription Drug Pre-Medicare – from 9.00 percent initial, 3.94 percent ultimate to -11.95 percent initial, 4.14 percent ultimate
  - Prescription Drug Medicare – from -5.47 percent initial, 3.94 percent ultimate to 1.33 percent initial, 4.14 percent ultimate

**School Employees Retirement System**

**Pension**

Changes in benefit terms

There were no changes to benefit terms for fiscal years 2015 through 2017.

For fiscal year 2018, the following were the most significant changes in benefit that affected the total pension liability since the prior measurement date:

- The cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.5 percent with a floor of 0 percent beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendars 2018, 2019, and 2020.

There were no changes to benefit terms for fiscal years 2019 through 2021.

For fiscal year 2022, the following was the most significant change in benefit that affected the total pension liability since the prior measurement date:

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

For fiscal year 2023, the following was the most significant change in benefit that affected the total pension liability since the prior measurement date:

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

There were no changes to benefit terms for fiscal year 2024.

Changes in assumptions

There were no changes in assumptions for fiscal years 2015 through 2017.

For fiscal year 2018, the following changes were made to the actuarial assumptions as identified. These new assumptions compared with those used in fiscal year 2016 and prior are presented below:

- Assumed rate of inflation was reduced from 3.25 percent to 3.0 percent

- Payroll Growth Assumption was reduced from 4.0 percent to 3.5 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.5 percent
- Investment rate of return was reduced from 7.75 percent to 7.5 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
    - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. The above rates represent the base rates used.
- Mortality among service retired members, and beneficiaries was updated to the following:
    - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates.
- Mortality among disabled member was updated to the following:
    - RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

There were no changes in assumptions for fiscal years 2019 through 2021.

For fiscal year 2022, the following changes were made to the actuarial assumptions as identified. These new assumptions compared with those used in fiscal year 2021 and prior are presented below:

- Assumed rate of inflation was reduced from 3.0 percent to 2.4 percent
- Payroll Growth Assumption was reduced from 3.5 percent to 3.25 percent
- Investment rate of return was reduced from 7.5 percent to 7.0 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among members was updated to the following:
    - 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 was updated to the following:
    - 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.

There were no changes in assumptions for fiscal years 2023 and 2024.

**OPEB**

<u>Changes in benefit terms</u>

There were no changes to benefit terms for fiscal years 2017 through 2024.

<u>Changes in assumptions</u>

For fiscal year 2017, the following was the most significant change of assumptions that affected the total OPEB liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.25 percent to 3.0 percent
- Payroll growth assumption was reduced from 4.0 percent to 3.5 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.5 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
    - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females.
- Mortality among service retired members, and beneficiaries was updated to the following:

  - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates.
- Mortality among disabled members was updated to the following:
  - RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates,set back five years is used for the period after disability retirement.

For fiscal year 2018, the following was the most significant change of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate was increased from 2.98 percent to 3.63 percent.
- The municipal bond index rate increased from 2.92 percent to 3.56 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98 percent to 3.63 percent.

For fiscal year 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate was changed from 3.63 percent to 3.70 percent.
- The municipal bond index rate increased from 3.56 percent to 3.62 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63 percent to 3.70 percent.
- The medical trend assumption rate changed as follows:

  - Medicare – 2018 – 5.50 to 5.00 percent, 2019 – 5.375 to 4.75 percent
  - Pre-Medicare – 2018 – 7.50 to 5.00 percent, 2019 – 7.25 to 4.75

For fiscal year 2020, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate decreased from 3.62 percent to 3.13 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70 percent to 3.22 percent.
- The medical trend assumption rate changed as follows:

  - Medicare – 2019 – 5.375 to 4.75 percent, 2020 – 5.25 to 4.75 percent
  - Pre-Medicare – 2019 – 7.25 to 4.75, 2020 – 7 to 4.75 percent

For fiscal year 2021, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate decreased from 3.13 percent to 2.45 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22 percent to 2.63 percent.

For fiscal year 2022, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The inflation rate decreased from 3.0 percent to 2.4 percent.
- Projected salary increases decreased from 3.5 percent to 3.25 percent.
- Investment rate of return decreased from 7.5 percent to 7.0 percent.
- The municipal bond index rate decreased from 2.45 percent to 1.92 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 2.63 percent to 2.27 percent.

- The medical trend assumption rate changed as follows:
    - Medicare – 2020 – 5.25 to 4.75 percent, 2022 – 5.125 to 4.4 percent
    - Pre-Medicare – 2020 – 7 to 4.75 percent, 2022 – 6.75 to 4.4 percent
- Mortality among members was updated to the following:
    - 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 was updated to the following:
    - 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.

For fiscal year 2023, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate increased from 1.92 percent to 3.69 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.27 percent to 4.08 percent.

For fiscal year 2024, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate increased from 3.69 percent to 3.86 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 4.08 percent to 4.27 percent.
- The medical trend assumption decreased from 7.00 percent to 6.75 percent.

**Sciotoville Community School**
*Schedule of Expenditures of Federal Awards*
*For the Fiscal Year Ended June 30, 2024*

| Federal Grantor/Pass Through Grantor/Program Title | Pass Through Entity Number | Federal Assistance Listing Number | Federal Awards Expenditures |
|---|---|---|---|
| **United States Department of Agriculture** | | | |
| *Passed through the Ohio Department of Education* | | | |
| Child Nutrition Cluster: | | | |
| School Breakfast Program | N/A | 10.553 | $70,298 |
| National School Lunch Program | N/A | 10.555 | 171,107 |
| National School Lunch Program - Non-Cash Assistance | N/A | 10.555 | 19,367 |
| Fresh Fruit and Vegetable Program | N/A | 10.582 | 8,956 |
| Total Child Nutrition Cluster | | | 269,728 |
| **Total United States Department of Agriculture** | | | **269,728** |
| **United States Department of Education** | | | |
| *Passed through the Ohio Department of Education* | | | |
| Special Education Cluster (IDEA): | | | |
| Special Education-Grants to States | N/A | 84.027 | 82,940 |
| Total Special Education Cluster (IDEA) | | | 82,940 |
| Title I Grants to Local Educational Agencies | N/A | 84.010 | 257,189 |
| Title I Grants to Local Educational Agencies-Expanding Opportunities | N/A | 84.010 | 2,188 |
| Total Title I Grants to Local Educational Agencies | | | 259,377 |
| COVID-19 Education Stabilization Fund-ESSER II | N/A | 84.425D | 236,128 |
| COVID-19 Education Stabilization Fund-ARP ESSER | N/A | 84.425U | 1,522,982 |
| Total COVID-19 Education Stabilization Fund | | | 1,759,110 |
| Supporting Effective Instruction State Grants | N/A | 84.367 | 8,353 |
| Student Support and Academic Enrichment Program | N/A | 84.424 | 6,847 |
| *Passed through Shawnee State University* | | | |
| Twenty-First Century Community Learning Centers | N/A | 84.287 | 62,250 |
| **Total United States Department of Education** | | | **2,178,877** |
| **Total Federal Financial Assistance** | | | **$2,448,605** |

N/A - pass through entity number not available.

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

## Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Sciotoville Community School (the School) under programs of the federal government for the year ended June 30, 2024. The information on this schedule is presented 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, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School.

## Note 2 – 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 the Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

## Note 3 – Indirect Cost Rate

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

## Note 4 – Child Nutrition Cluster

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

## Note 5 – Food Donation Program

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

## Note 6 – Transfers Between Program Years

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education and Workforce's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The School transferred the following amounts from 2024 to 2025 programs:

| Program Title | AL Number | Amount Transferred |
|---|---|---|
| Title I Grants to Local Educational Agencies | 84.010 | $266,408 |
| Supporting Effective Instruction State Grants | 84.367 | 50,890 |
| Student Support and Academic Enhancement Program | 84.424 | 48,798 |
| Special Education-Grants to States | 84.027 | 76,050 |
| Special Education-Preschool Grants | 84.173 | 1,617 |
| Total | | $443,763 |

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

Sciotoville Community School
Scioto County
224 Marshall Avenue
Sciotoville, Ohio 45662

To the Board of Directors:

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 Sciotoville Community School, Scioto County, Ohio, (the School) as of and for the year ended June 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated February 27, 2025.

***Report on Internal Control Over Financial Reporting***

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

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
February 27, 2025

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

Sciotoville Community School
Scioto County
224 Marshall Avenue
Sciotoville, Ohio 45662

To the Board of Directors:

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited Sciotoville Community School's, Scioto County, (School) 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 Sciotoville Community School's major federal program for the year ended June 30, 2024. Sciotoville Community School's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Sciotoville Community School complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

***Basis for Opinion on the Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

The School'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'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'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's compliance with the requirements of the major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School'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'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's internal control over compliance. Accordingly, no such opinion is expressed.

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

**Report on Internal Control Over Compliance**

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

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

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

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

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
February 27, 2025

**SCIOTOVILLE COMMUNITY SCHOOL**
**SCIOTO COUNTY**

Schedule of Findings
*2 CFR § 200.515*
June 30, 2024

## 1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---|---|---|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material weaknesses in internal control weaknesses reported for major federal programs? | No |
| (d)(1)(iv) | Were there any other significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Program's Compliance Opinion | Unmodified |
| (d)(1)(vi) | Are there any reportable findings under 2 CFR § 200.516(a)? | No |
| (d)(1)(vii) | Major Programs (list): | Elementary and Secondary School Emergency Relief Fund<br>ALN #84.425D & #84.425U |
| (d)(1)(viii) | Dollar Threshold: Type A\B Programs | Type A: > $750,000<br>Type B: all others |
| (d)(1)(ix) | Low Risk Auditee under 2 CFR §200.520? | Yes |

**SCIOTOVILLE COMMUNITY SCHOOL**
**SCIOTO COUNTY**

Schedule of Findings
*2 CFR § 200.515*
June 30, 2024

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

**None**

## 3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS

**None**

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OHIO AUDITOR OF STATE
KEITH FABER

**SCIOTOVILLE COMMUNITY SCHOOL**

**SCIOTO 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 6/12/2025**

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