OHIO AUDITOR OF STATE
KEITH FABER

TRI-RIVERS JOINT VOCATIONAL SCHOOL DISTRICT
MARION COUNTY
JUNE 30, 2024

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MARION COUNTY
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INDEPENDENT AUDITOR'S REPORT

Tri-Rivers Joint Vocational School District
Marion County
2222 Marion-Mt. Gilead Road
Marion, Ohio 43302

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tri-Rivers Joint Vocational School District, Marion County, Ohio (School District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tri-Rivers Joint Vocational School District, Marion County, Ohio as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

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

Supplementary information

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 March 12, 2025, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

March 12, 2025

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The discussion and analysis of Tri-Rivers Joint Vocational School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Highlights

Highlights for fiscal year 2024 are as follows:

Net position increased $9,624,163 (95 percent) for governmental activities and increased $250,939 (19 percent) for business-type activities, respectively.

General revenues were $20,342,837, or 84 percent of all governmental activities revenues.

For business-type activities, over 99 percent of total revenues were generated by the programs.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand Tri-Rivers Joint Vocational School District as an entire operating entity.

The statement of net position and the statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in a single column. For Tri-Rivers Joint Vocational School District, the General Fund, Classroom Facilities capital projects fund, and the Adult Education enterprise fund are the most significant funds.

Reporting the School District as a Whole

The statement of net position and the statement of activities reflect how the School District did financially during fiscal year 2024. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal years' revenues and expenses regardless of when cash is received or paid.

These statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position of the School District as a whole has increased or decreased from the prior fiscal year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Nonfinancial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the statement of net position and the statement of activities, the School District discloses two types of activities:

Governmental Activities - Most of the School District's programs and services are reported here including instruction, support services, and extracurricular activities. These services are primarily funded by property tax revenues and from intergovernmental revenues, including federal and state grants and other shared revenues.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all of the costs of the goods or services provided. The Adult Education, Food Service, and Rotary (vocational programs) funds are reported as business-type activities.

Reporting the School District's Most Significant Funds

Fund financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's major funds are the General Fund, Classroom Facilities capital projects fund, and the Adult Education enterprise fund.

Governmental Funds - The School District's governmental funds are used to account for the same programs reported as governmental activities on the government-wide financial statements. The School District's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at fiscal year end. These funds are reported using the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund financial statements provide a detailed short-term view of the School District's operations.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to help make this comparison between governmental funds and governmental activities.

Enterprise Funds - Enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

The School District as a Whole

Table 1 provides a summary of the School District's net position for fiscal year 2024 and fiscal year 2023:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and Other Assets	$27,133,566	$17,196,819	$756,468	$823,003	$27,890,034	$18,019,822
Net OPEB Asset	610,457	825,423	162,273	206,356	772,730	1,031,779
Capital Assets, Net	8,733,151	8,178,555	2,225,784	2,164,424	10,958,935	10,342,979
Total Assets	36,477,174	26,200,797	3,144,525	3,193,783	39,621,699	29,394,580
Deferred Outflows of Resources						
Pension	2,077,049	2,395,913	520,047	541,315	2,518,436	2,873,776
OPEB	498,422	284,964	71,790	50,822	556,961	315,247
Total Deferred Outflows of Resources	2,575,471	2,680,877	591,837	592,137	3,075,397	3,189,023
Liabilities						
Current and Other Liabilities	1,477,497	1,065,461	105,589	146,827	1,583,086	1,212,288
Long-Term Liabilities						
Pension	9,452,790	9,542,189	2,199,265	2,171,388	11,652,055	11,713,577
OPEB	765,788	598,096	114,425	97,364	880,213	695,460
Other Amounts	1,099,567	1,195,373	1,899,671	1,997,533	2,999,238	3,192,906
Total Liabilities	12,795,642	12,401,119	4,318,950	4,413,112	17,114,592	16,814,231
Deferred Inflows of Resources						
Pension	675,824	949,199	209,739	351,372	806,903	1,237,119
OPEB	1,233,461	1,519,283	271,354	336,056	1,491,564	1,834,800
Other Amounts	4,561,587	3,850,105	0	0	4,561,587	3,850,105
Total Deferred Inflows of Resources	6,470,872	6,318,587	481,093	687,428	6,860,054	6,922,024
Net Position						
Net Investment in Capital Assets	7,723,273	7,339,891	647,621	525,166	8,370,894	7,865,057
Restricted	9,677,820	487,887	162,273	47,120	9,840,093	535,007
Unrestricted (Deficit)	2,385,038	2,334,190	(1,873,575)	(1,886,906)	511,463	447,284
Total Net Position (Deficit)	$19,786,131	$10,161,968	($1,063,681)	($1,314,620)	$18,722,450	$8,847,348

The net pension liability and net OPEB liability (asset) reported by the School District at June 30, 2024, are reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", respectively. For reasons discussed below, end users of these financial statements will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability (asset) to the reported net position and subtracting deferred outflows related to pension and OPEB.

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB Statement No. 27) and postemployment benefits (GASB Statement No. 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension or net OPEB liability. GASB Statements No. 68 and No. 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and State law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB Statements No. 68 and No. 75 require the net pension liability and the net OPEB liability (asset) to equal the School District's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

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

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

Most long-term liabilities have set repayment schedules or in the case of compensated absences (i.e. vacation and sick 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 pension benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the School District. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension 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.

In accordance with GASB Statements No. 68 and No. 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in the net pension liability and the net OPEB liability (asset), respectively, not accounted for as deferred outflows/inflows.

Pension/OPEB related changes noted in the above table reflect an overall decrease in deferred outflows and deferred inflows. The decrease in the net pension liability and net OPEB asset and increase in the net OPEB liability represents the School District's proportionate share of the unfunded benefits. As indicated previously, changes in pension benefits, contribution rates, return on investments, and actuarial assumptions all affect the balance of the net pension/OPEB liability (asset).

Aside from the changes related to pension/OPEB, there were a few other changes of note from the prior fiscal year as noted in the above table. For governmental activities, the increase in current and other assets was primarily due to an increase in cash and cash equivalents and intergovernmental receivable (the School District began receiving grant proceeds from the Ohio Facilities Construction Commission for an addition to the welding lab and a new transportation and heavy equipment facility). The increase in net capital assets was due to the Ohio Facilities Construction Commission project mentioned above. The increase in current and other liabilities was primarily related as there were outstanding liabilities for contracts at fiscal year end. The decrease in other long-term liabilities represents scheduled debt retirement.

The most significant changes for business-type activities, other than pension/OPEB related changes, is the increase in net capital assets and the decrease in other long term liabilities. The increase in net capital assets was due to the completion of the renovations to a building used for adult education. The decrease in other long-term liabilities is for scheduled debt retirement and for fewer individuals meeting the criteria for future severance payments.

Table 2 reflects the change in net position for fiscal year 2024 and fiscal year 2023.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for Services	$521,111	$588,519	$2,297,696	$2,121,761	$2,818,807	$2,710,280
Operating Grants and Contributions	3,210,798	2,856,512	795,737	818,119	4,006,535	3,674,631
Capital Grants and Contributions	0	99,785	0	0	0	99,785
Total Program Revenues	3,731,909	3,544,816	3,093,433	2,939,880	6,825,342	6,484,696

(continued)

Table 2
Change in Net Position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Revenues						
Property Taxes	$5,841,259	$5,331,522	$0	$0	$5,841,259	$5,331,522
Grants and Entitlements not Restricted to Specific Programs	13,480,537	5,163,613	0	0	13,480,537	5,163,613
Investments Earnings and Other Interest	600,590	216,893	0	0	600,590	216,893
Gifts and Donations	2,205	1,180	0	0	2,205	1,180
Other	418,246	112,220	14,235	43,971	432,481	156,191
Total General Revenues	20,342,837	10,825,428	14,235	43,971	20,357,072	10,869,399
Total Revenues	24,074,746	14,370,244	3,107,668	2,983,851	27,182,414	17,354,095
Expenses						
Instruction:						
Regular	423,934	451,711	0	0	423,934	451,711
Special	1,071,306	743,417	0	0	1,071,306	743,417
Vocational	6,581,894	5,969,893	0	0	6,581,894	5,969,893
Adult/Continuing	130,550	229,847	0	0	130,550	229,847
Support Services:						
Pupils	720,894	593,968	0	0	720,894	593,968
Instructional Staff	704,602	806,896	0	0	704,602	806,896
Board of Education	215,321	209,848	0	0	215,321	209,848
Administration	1,645,835	1,748,782	0	0	1,645,835	1,748,782
Fiscal	630,821	575,284	0	0	630,821	575,284
Business	83,726	77,298	0	0	83,726	77,298
Operation and Maintenance of Plant	1,378,436	1,298,261	0	0	1,378,436	1,298,261
Pupil Transportation	3,285	6,487	0	0	3,285	6,487
Central	596,298	660,634	0	0	596,298	660,634
Non-Instructional Services	0	1,000	0	0	0	1,000
Extracurricular Activities	74,128	82,555	0	0	74,128	82,555
Interest	22,006	27,646	0	0	22,006	27,646
Adult Education	0	0	2,531,264	2,308,142	2,531,264	2,308,142
Food Service	0	0	451,588	399,331	451,588	399,331
Rotary	0	0	41,424	49,363	41,424	49,363
Total Expenses	14,283,036	13,483,527	3,024,276	2,756,836	17,307,312	16,240,363
Increase in Net Position before Transfers	9,791,710	886,717	83,392	227,015	9,875,102	1,113,732
Transfers	(167,547)	(125,000)	167,547	125,000	0	0
Increase in Net Position	9,624,163	761,717	250,939	352,015	9,875,102	1,113,732
Net Position (Deficit) at Beginning of Year	10,161,968	9,400,251	(1,314,620)	(1,666,635)	8,847,348	7,733,616
Net Position (Deficit) at End of Year	$19,786,131	$10,161,968	($1,063,681)	($1,314,620)	$18,722,450	$8,847,348

For governmental activities, there was a 5 percent increase in program revenues. The charges for services decrease was insignificant, the increase in operating grants and contributions is due to the State resources received for the Super Rapids grant, and the decrease in capital grants and contributions is for funding received in the prior year from the Ohio School Facilities Construction Commission for safety. The most significant changes for general revenue was the increase in unrestricted grants and contributions and investment earnings and other interest. Unrestricted grants and contributions increased for resources received from the Ohio Facilities Construction Commission for the addition to the welding lab and new transportation and heavy equipment facility project as mentioned previously above. Investment earnings and other interest revenue increased due to better interest rates and market values. Overall expenses increased due to changes in pension/OPEB as well as increases in salary and benefits.

For business-type activities, the overall increase in total revenues was due to increased charges for services. The increase in expenses was primarily due to changes in pension/OPEB and salaries and benefits.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted state entitlements.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Instruction:				
Regular	$423,934	$451,711	$423,934	$436,905
Special	1,071,306	743,417	473,328	265,449
Vocational	6,581,894	5,969,893	4,504,511	3,635,299
Adult/Continuing	130,550	229,847	(278,251)	67,653
Support Services:				
Pupils	720,894	593,968	557,623	440,931
Instructional Staff	704,602	806,896	704,602	806,896
Board of Education	215,321	209,848	215,321	209,848
Administration	1,645,835	1,748,782	1,161,359	1,347,020
Fiscal	630,821	575,284	630,821	575,284
Business	83,726	77,298	83,726	77,298
Operation and Maintenance of Plant	1,378,436	1,298,261	1,378,436	1,298,261
Pupil Transportation	3,285	6,487	3,285	6,487
Central	596,298	660,634	596,298	660,634
Non-Instructional Services	0	1,000	0	545
Extracurricular Activities	74,128	82,555	74,128	82,555
Interest	22,006	27,646	22,006	27,646
Total Expenses	$14,283,036	$13,483,527	$10,551,127	$9,938,711

A review of the above table illustrates that program costs remained the same (approximately 74 percent for both fiscal year 2024 and fiscal year 2023) that were provided for through general revenues (property taxes and unrestricted state entitlements). Program revenues provide for few costs of services, generally offsetting instruction costs with tuition and grants.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting.

Fund balance increased 3 percent in the General Fund from the prior fiscal year. Revenues increased primarily due to intergovernmental revenues (additional State funding) and investment earnings and other interest (as previously mentioned above). Expenses increased due to salary and benefits.

The increase in the Classroom Facilities Fund was due to grant resources exceeding construction costs for the fiscal year.

The School District's enterprise funds are accounted for using the accrual basis of accounting. The only major enterprise fund is the Adult Education Fund. There was a 13 percent increase in net position; however, the fund continues to operate in a deficit. The increase in net position is the result of an increase in charges for services and continued grant resources received.

Budgetary Highlights

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

During fiscal year 2024, the School District amended its General Fund budget as needed. For revenues, changes from the original budget to the final budget were due to a change in the expectations for intergovernmental revenue. The changes from the final budget to actual revenues were not significant. For expenditures, the change from original budget to the final budget and final budget to actual expenditures was due to conservative budgeting.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2024, the School District had $8,733,151 invested in capital assets (net of accumulated depreciation) for governmental activities. Additions included beginning of construction of an addition to the welding lab and new transportation and heavy equipment building various furniture and equipment. Disposals included a van and fork lift.

The business-type activities had a $2,225,784 invested in capital assets (net of accumulated depreciation). Additions include the completion of renovations of a building used for adult education and food service equipment. There were no disposals in fiscal year 2024.

For further information regarding the School District's capital assets, refer to Note 10 to the basic financial statements.

Debt

At June 30, 2024, the School District's outstanding debt consisted of notes, in the amount of $347,220, financed purchases, in the amount of $29,744, and capital loans payable, in the amount of $284,000, for governmental activities. Business-type activities had outstanding general obligation bonds, in the amount of $1,839,000.

In addition to the debt outlined above, the School District's long-term obligations also include compensated absences and the net pension/OPEB liability. For further information regarding the School District's long-term obligations, refer to Note 17 to the basic financial statements.

Current Issues

Tri-Rivers Joint Vocational School District is in a primarily residential/farming area of the State covering Crawford, Delaware, Hardin, Marion, Morrow, Union, and Wyandot counties.

In June 1978, the School District passed a 2.1 mill continuing levy that generates approximately $2 million. In November 2011, the School District renewed a 1.3 mill five-year operating levy that generates approximately $1,782,000 annually. This levy was again renewed for a five-year period on the November 2017 ballot. The School District placed this levy on the 2021 ballot as a continuing levy with tax collections that began in 2023. The voters approved the continuing levy with a 57 percent approval. In May 2014, the School District renewed a 1 mill operating levy that generates approximately $1,000,000 annually. This levy had previously been a five-year levy but was approved as a continuing levy. All levies for the School District are now continuing levies.

Challenges for the School District include ever increasing costs of health care and rising cost of supplies/materials for hands on learning as well as equipment needed to provide training relevant to current industry standards. In January 2010, the School District converted from a fully self-insured health plan for medical and prescription drug coverage to a public entity shared risk pool. Participation in the shared risk pool has been financially beneficial to date.

The new school funding formula implemented for the 2023-2024 and 2024-2025 school years resulted in Tri-Rivers coming off the Ohio Department of Education and Workforce (DEW) State guarantee. The new school funding formula does incorporate increases based on enrollment. The School District will see increased state funding over the previous guaranteed funding from DEW, which used fiscal year 2020-2021 inputs for determining state aid. The new funding formula has been updated with fiscal year 2021-2022 inputs relating to staffing salaries and benefits and current enrollment. There has been a large increase in property value in the seven counties Tri Rivers collects taxes from which will have an effect on state support in this biennium budget. There is also strong support at the state legislature for taxpayer relief relating to property taxes, which could significantly affect the School District's General fund. Tri-Rivers student enrollment has improved over the past few years but is still a challenge due to limited classroom space available at the School District. The School District received a Career Tech Expansion grant from the Ohio School Facilities Construction Commission in fiscal year 2024 of $7.9 million dollars to add an addition on to the existing welding lab and to build a new transportation and heavy equipment facility on the north side of the building. The School District continues to partner with Akron University to offer a 2+2 program in order for students to receive an Associate's Degree upon completion of the program and then transfer to Akron University to complete the final two years of college to obtain a Bachelor's Degree. The School District's administration continues to evaluate the credentials offered to students in the career technical programs to ensure they are meeting industry standards and are the most up-to-date credentials available. The School District strives to reduce costs at every possible opportunity as well as reviewing current and new programs to provide relevant career technical programs to help with workforce needs in Marion and surrounding communities.

In April 2022, the Board of Education and the teacher's union negotiated a new three-year contract. The contract covers fiscal years 2023 through 2025. Salary increases are 3 percent each year over the three-year contract period.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Tammi Cowell, Treasurer, Tri-Rivers Joint Vocational School District, 2222 Marion-Mt. Gilead Road, Marion, Ohio 43302.

Tri-Rivers Joint Vocational School District
Statement of Net Positon
June 30, 2024

	Governmental Activities	Business-Type Activities *	Total*
Assets:			
Equity in Pooled Cash and Cash Equivalents	$14,242,743	$710,420	$14,953,163
Accrued Interest Receivable	16,577	0	16,577
Accounts Receivable	11,226	42,258	53,484
Intergovernmental Receivable	6,038,921	2,678	6,041,599
Prepaid Items	2,634	0	2,634
Inventory Held for Resale	0	490	490
Materials and Supplies Inventory	28,262	622	28,884
Property Taxes Receivable	6,793,203	0	6,793,203
Net OPEB Asset	610,457	162,273	772,730
Nondepreciable Capital Assets	598,471	152,940	751,411
Depreciable Capital Assets, Net	8,134,680	2,072,844	10,207,524
Total Assets	36,477,174	3,144,525	39,621,699
Deferred Outflows of Resources:			
Pension	2,077,049	520,047	2,518,436
OPEB	498,422	71,790	556,961
Total Deferred Outflows of Resources	2,575,471	591,837	3,075,397
Liabilities:			
Accounts Payable	58,663	17,322	75,985
Contracts Payable	348,914	0	348,914
Accrued Wages and Benefits Payable	939,237	66,774	1,006,011
Intergovernmental Payable	121,407	17,807	139,214
Accrued Interest Payable	9,276	3,686	12,962
Long-Term Liabilities			
Due Within One Year	296,540	105,491	402,031
Due in More Than One Year			
Net Pension Liability	9,452,790	2,199,265	11,652,055
Net OPEB Liability	765,788	114,425	880,213
Other Amounts Due in More than One Year	803,027	1,794,180	2,597,207
Total Liabilities	12,795,642	4,318,950	17,114,592
Deferred Inflows of Resources:			
Property Taxes	4,561,587	0	4,561,587
Pension	675,824	209,739	806,903
OPEB	1,233,461	271,354	1,491,564
Total Deferred Inflows of Resources	6,470,872	481,093	6,860,054
Net Position:			
Net Investment in Capital Assets	7,723,273	647,621	8,370,894
Restricted For			
Set Asides	81,220	0	81,220
OPEB Plans	610,457	162,273	772,730
Capital Projects	8,573,215	0	8,573,215
Other Purposes	412,928	0	412,928
Unrestricted (Deficit)	2,385,038	(1,873,575)	511,463
Total Net Positon (Deficit)	$19,786,131	($1,063,681)	$18,722,450

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

See Accompanying Notes to Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Activities
For the Fiscal Year Ended June 30, 2024

		Program Revenues	
	Expenses	Charges for Services	Operating Grants and Contributions
Governmental Activities:			
Instruction:			
Regular	$423,934	$0	$0
Special	1,071,306	0	597,978
Vocational	6,581,894	36,635	2,040,748
Adult/Continuing	130,550	0	408,801
Support Services:			
Pupils	720,894	0	163,271
Instructional Staff	704,602	0	0
Board of Education	215,321	0	0
Administration	1,645,835	484,476	0
Fiscal	630,821	0	0
Business	83,726	0	0
Operation and Maintenance of Plant	1,378,436	0	0
Pupil Transportation	3,285	0	0
Central	596,298	0	0
Extracurricular Activities	74,128	0	0
Interest	22,006	0	0
Total Governmental Activities	14,283,036	521,111	3,210,798
Business-Type Activities:			
Adult Education	2,531,264	2,081,025	597,739
Other Enterprise Funds			
Food Service	451,588	157,983	197,998
Rotary	41,424	58,688	0
Total Other Enterprise Funds	493,012	216,671	197,998
Total Business-Type Activities	3,024,276	2,297,696	795,737
Total	$17,307,312	$2,818,807	$4,006,535

General Revenues:
Property Taxes Levied for General Purposes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings and Other Interest
Gifts and Donations
Other
Total General Revenues

Transfers
Total General Revenues and Transfers

Change in Net Positon

Net Position (Deficit) at Beginning of Year
Net Position (Deficit) at End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue and Change in Net Positon		
Governmental Activities	Business-Type Activities	Total
($423,934)	$0	($423,934)
(473,328)	0	(473,328)
(4,504,511)	0	(4,504,511)
278,251	0	278,251
(557,623)	0	(557,623)
(704,602)	0	(704,602)
(215,321)	0	(215,321)
(1,161,359)	0	(1,161,359)
(630,821)	0	(630,821)
(83,726)	0	(83,726)
(1,378,436)	0	(1,378,436)
(3,285)	0	(3,285)
(596,298)	0	(596,298)
(74,128)	0	(74,128)
(22,006)	0	(22,006)
(10,551,127)	0	(10,551,127)
0	147,500	147,500
0	(95,607)	(95,607)
0	17,264	17,264
0	(78,343)	(78,343)
0	69,157	69,157
(10,551,127)	69,157	(10,481,970)
5,841,259	0	5,841,259
13,480,537	0	13,480,537
600,590	0	600,590
2,205	0	2,205
418,246	14,235	432,481
20,342,837	14,235	20,357,072
(167,547)	167,547	0
20,175,290	181,782	20,357,072
9,624,163	250,939	9,875,102
10,161,968	(1,314,620)	8,847,348
$19,786,131	($1,063,681)	$18,722,450

Tri-Rivers Joint Vocational School District
Balance Sheet
Governmental Funds
June 30, 2024

	General	Classroom Facilities	Other Governmental	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	$11,105,906	$1,977,721	$1,077,896	$14,161,523
Accrued Interest Receivable	16,577	0	0	16,577
Accounts Receivable	11,126	0	100	11,226
Intergovernmental Receivable	84,713	5,933,163	21,045	6,038,921
Interfund Receivable	21,045	0	0	21,045
Prepaid Items	2,634	0	0	2,634
Materials and Supplies Inventory	28,262	0	0	28,262
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	81,220		0	81,220
Property Taxes Receivable	6,793,203	0	0	6,793,203
Total Assets	$18,144,686	$7,910,884	$1,099,041	$27,154,611
Liabilities:				
Accounts Payable	$55,926	$0	$2,737	$58,663
Contracts Payable	0	348,914	0	348,914
Accrued Wages and Benefits Payable	939,237	0	0	939,237
Interfund Payable	0	0	21,045	21,045
Intergovernmental Payable	121,407	0	0	121,407
Total Liabilities	1,116,570	348,914	23,782	1,489,266
Deferred Inflows of Resources:				
Property Taxes	4,561,587	0	0	4,561,587
Unavailable Revenue	513,395	0	0	513,395
Total Deferred Inflows of Resources	5,074,982	0	0	5,074,982
Fund Balances:				
Nonspendable	30,896	0	0	30,896
Restricted	81,220	7,561,970	1,075,259	8,718,449
Assigned	12,171,888	0	0	12,171,888
Unassigned (Deficit)	(330,870)	0	0	(330,870)
Total Fund Balances	11,953,134	7,561,970	1,075,259	20,590,363
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$18,144,686	$7,910,884	$1,099,041	$27,154,611

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
June 30, 2024

Total Governmental Fund Balances		$20,590,363
Amounts reported for governmental activities on the statement of net position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		8,733,151
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
Accounts Receivable	1,543	
Intergovernmental Receivable	1,581	
Delinquent Property Taxes Receivable	510,271	
		513,395
Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds; it is reported when due.		(9,276)
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Notes Payable	(347,220)	
Financed Purchases Payable	(29,744)	
Capital Loans Payable	(284,000)	
Compensated Absences Payable	(438,603)	
		(1,099,567)
The net pension liability and net OPEB liability (asset) are not due and payable in the current period, therefore, the liability, asset, and related deferred outflows/inflows are not reported in governmental funds.		
Deferred Outflows - Pension	2,077,049	
Deferred Outflows - OPEB	498,422	
Deferred Inflows - Pension	(675,824)	
Deferred Inflows - OPEB	(1,233,461)	
Net Pension Liability	(9,452,790)	
Net OPEB Asset	610,457	
Net OPEB Liability	(765,788)	
		(8,941,935)
Net Position of Governmental Activities		$19,786,131

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General	Classroom Facilities	Other Governmental	Total Governmental Funds
Revenues:				
Property Taxes	$5,778,418	$0	$0	$5,778,418
Intergovernmental	7,779,702	7,910,884	976,282	16,666,868
Investment Earnings and Other Interest	600,590	0	0	600,590
Charges for Services	484,476	0	0	484,476
Extracurricular Activities	0	0	32,440	32,440
Rent	4,195	0	0	4,195
Gifts and Donations	2,205	0	44,700	46,905
Other	419,593	0	101	419,694
Total Revenues	15,069,179	7,910,884	1,053,523	24,033,586
Expenditures:				
Current:				
Instruction:				
Regular	426,089	0	0	426,089
Special	1,071,306	0	0	1,071,306
Vocational	6,266,418	0	418,283	6,684,701
Adult/Continuing	0	0	130,550	130,550
Support Services:				
Pupils	515,463	0	212,795	728,258
Instructional Staff	709,982	0	5,367	715,349
Board of Education	215,906	0	0	215,906
Administration	1,622,973	0	43,351	1,666,324
Fiscal	661,974	0	0	661,974
Business	79,036	0	0	79,036
Operation and Maintenance of Plant	1,385,588	0	0	1,385,588
Central	531,338	0	53,486	584,824
Extracurricular Activities	885	0	73,243	74,128
Capital Outlay	121,317	348,914	0	470,231
Debt Service:				
Principal Retirement	99,510	0	78,190	177,700
Interest	14,741	0	10,237	24,978
Total Expenditures	13,722,526	348,914	1,025,502	15,096,942
Excess of Revenues Over (Under) Expenditures	1,346,653	7,561,970	28,021	8,936,644
Other Financing Sources (Uses):				
Transfers In	0	0	808,758	808,758
Transfers Out	(976,305)	0	0	(976,305)
Total Other Financing Sources (Uses)	(976,305)	0	808,758	(167,547)
Changes in Fund Balances	370,348	7,561,970	836,779	8,769,097
Fund Balances at Beginning of Year	11,582,786	0	238,480	11,821,266
Fund Balances at End of Year	$11,953,134	$7,561,970	$1,075,259	$20,590,363

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to Statement of Activities
For the Fiscal Year Ended June 30, 2024

Changes in Fund Balances - Total Governmental Funds		$8,769,097
Amounts reported for governmental activities on the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current fiscal year.		
Nondepreciable Capital Assets	357,389	
Depreciable Capital Assets	831,429	
Depreciation	(631,860)	
		556,958
The cost of capital assets is removed from the capital asset account on the statement of net position when disposed of resulting in a loss on disposal of capital assets on the statement of activities.		(2,362)
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		
Delinquent Property Taxes	62,841	
Intergovernmental	(20,233)	
Investment Earnings and Other Interest	(1,448)	
		41,160
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position.		
Notes Payable	78,190	
Financed Purchases Payable	28,510	
Capital Loans Payable	71,000	
		177,700
Interest is reported as an expenditure when due in governmental funds but is accrued on outstanding debt on the statement of net position.		2,972
Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(81,894)
Except for amounts reported as deferred outflows/inflows, changes in the net pension liability/OPEB liability (asset) are reported as pension/OPEB expense on the statement of activities.		
Pension	(1,008,795)	
OPEB	123,955	
Business-Type Activities - Pension	121,499	
Business-Type Activities - OPEB	(22,290)	
		(785,631)
Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.		
Contributions Subsequent to the Measurement Date - Pension	1,145,193	
Contributions Subsequent to the Measurement Date - OPEB	17,193	
Business-Type Activities - Pension	(213,987)	
Business-Type Activities - OPEB	(2,236)	
		946,163
Change in Net Position of Governmental Activities		$9,624,163

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property Taxes	$5,579,817	$5,579,817	$5,786,785	$206,968
Intergovernmental	7,230,262	8,199,109	7,779,702	(419,407)
Interest	600,000	600,000	489,959	(110,041)
Charges for Services	400,000	510,000	427,208	(82,792)
Rent	4,500	4,500	4,195	(305)
Gifts and Donations	0	0	2,205	2,205
Other	302,350	452,425	410,010	(42,415)
Total Revenues	14,116,929	15,345,851	14,900,064	(445,787)
Expenditures:				
Current:				
Instruction:				
Regular	473,920	473,920	423,015	50,905
Special	1,200,224	1,200,224	1,071,306	128,918
Vocational	7,056,204	7,056,204	6,298,284	757,920
Support Services:				
Pupils	574,051	574,051	512,391	61,660
Instructional Staff	778,815	778,815	695,161	83,654
Board of Education	328,401	328,401	293,127	35,274
Administration	1,820,266	1,820,266	1,625,848	194,418
Fiscal	745,944	745,944	665,821	80,123
Business	140,310	140,310	125,239	15,071
Operation and Maintenance of Plant	1,625,492	1,625,492	1,450,895	174,597
Central	646,016	646,016	576,626	69,390
Extracurricular Activities	3,196	3,272	885	2,387
Capital Outlay	150,122	150,122	133,997	16,125
Total Expenditures	15,542,961	15,543,037	13,872,595	1,670,442
Excess of Revenues Over (Under) Expenditures	(1,426,032)	(197,186)	1,027,469	1,224,655
Other Financing Sources (Uses):				
Advances In	0	0	10,000	10,000
Transfers Out	(976,305)	(976,305)	(976,305)	0
Total Other Financing Sources (Uses)	(976,305)	(976,305)	(966,305)	10,000
Changes in Fund Balance	(2,402,337)	(1,173,491)	61,164	1,234,655
Fund Balance at Beginning of Year	10,429,987	10,429,987	10,429,987	0
Prior Year Encumbrances Appropriated	516,070	516,070	516,070	0
Fund Balance at End of Year	$8,543,720	$9,772,566	$11,007,221	$1,234,655

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Fund Net Position
Enterprise Funds
June 30, 2024

	Adult Education	Other Enterprise	Total Enterprise Funds
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	$616,806	$93,614	$710,420
Accounts Receivable	42,081	177	42,258
Intergovernmental Receivable	2,678	0	2,678
Inventory Held for Resale	0	490	490
Materials and Supplies Inventory	0	622	622
Total Current Assets	661,565	94,903	756,468
Non-Current Assets:			
Restricted Assets:			
Net OPEB Asset	162,273	0	162,273
Non-Depreciable Capital Assets	152,940	0	152,940
Depreciable Capital Assets, Net	1,913,292	159,552	2,072,844
Total Non-Current Assets	2,228,505	159,552	2,388,057
Total Assets	2,890,070	254,455	3,144,525
Deferred Outflows of Resources:			
Pension	490,870	36,661	527,531
OPEB	48,251	28,600	76,851
Total Deferred Outflows of Resources	539,121	65,261	604,382
Liabilities:			
Current Liabilities:			
Accounts Payable	17,322	0	17,322
Accrued Wages and Benefits Payable	52,147	14,627	66,774
Intergovernmental Payable	8,443	9,364	17,807
Accrued Interest Payable	3,686	0	3,686
Compensated Absences Payable	10,491	0	10,491
General Obligation Bonds Payable	95,000	0	95,000
Total Current Liabilities	187,089	23,991	211,080
Non-Current Liabilities:			
Compensated Absences Payable	49,502	678	50,180
General Obligation Bonds Payable	1,744,000	0	1,744,000
Net Pension Liability	2,013,518	185,747	2,199,265
Net OPEB Liability	61,613	52,812	114,425
Total Non-Current Liabilities	3,868,633	239,237	4,107,870
Total Liabilities	4,055,722	263,228	4,318,950
Deferred Inflows of Resources:			
Pension	204,445	12,778	217,223
OPEB	217,393	59,022	276,415
Total Deferred Inflows of Resources	421,838	71,800	493,638
Net Position:			
Net Investment in Capital Assets	488,069	159,552	647,621
Restricted for OPEB Plans	162,273	0	162,273
Unrestricted (Deficit)	(1,698,711)	(174,864)	(1,873,575)
Total Net Position (Deficit)	($1,048,369)	($15,312)	($1,063,681)

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
For the Fiscal Year Ended June 30, 2024

	Adult Education	Other Enterprise	Total Enterprise Funds
Operating Revenues:			
Charges for Services	$2,081,025	$216,671	$2,297,696
Other Operating Revenues	14,235	0	14,235
Total Operating Revenues	2,095,260	216,671	2,311,931
Operating Expenses:			
Salaries	1,254,695	116,985	1,371,680
Fringe Benefits	285,817	34,105	319,922
Purchased Services	488,443	53,641	542,084
Materials and Supplies	431,104	42,994	474,098
Cost of Sales	0	236,983	236,983
Other Operating Expenses	9,435	0	9,435
Depreciation	14,264	8,304	22,568
Total Operating Expenses	2,483,758	493,012	2,976,770
Operating Loss	(388,498)	(276,341)	(664,839)
Non-Operating Revenues (Expenses)			
Grants	597,739	197,998	795,737
Interest Expense	(47,506)	0	(47,506)
Total Non-Operating Revenues (Expenses)	550,233	197,998	748,231
Income (Loss) Before Transfers	161,735	(78,343)	83,392
Transfers In	0	167,547	167,547
Changes in Net Position	161,735	89,204	250,939
Net Position (Deficit) at Beginning of Year	(1,210,104)	(104,516)	(1,314,620)
Net Position (Deficit) at End of Year	($1,048,369)	($15,312)	($1,063,681)

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 2024

	Adult Education	Other Enterprise	Total Enterprise Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash Received from Customers	$2,132,785	$216,494	$2,349,279
Cash Received from Other Revenues	14,235	0	14,235
Cash Payments for Salaries	(1,277,391)	(123,231)	(1,400,622)
Cash Payments for Fringe Benefits	(396,835)	(50,605)	(447,440)
Cash Payments for Goods and Services	(921,348)	(333,701)	(1,255,049)
Cash Payments for Other Expenses	(9,293)	0	(9,293)
Net Cash Used for Operating Activities	(457,847)	(291,043)	(748,890)
Cash Flows from Noncapital Financing Activities:			
Cash Received from Grants	597,739	197,998	795,737
Cash Payments for Advances Out	(10,000)	0	(10,000)
Cash Received from Transfers In	0	167,547	167,547
Net Cash Provided by Noncapital Financing Activities	587,739	365,545	953,284
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	(36,205)	(53,023)	(89,228)
Principal Paid on General Obligation Bonds	(92,000)	0	(92,000)
Interest Paid on General Obligation Bonds	(47,691)	0	(47,691)
Net Cash Used for Capital and Related Financing Activities	(175,896)	(53,023)	(228,919)
Net Increase (Decrease) in Cash and Cash Equivalents	(46,004)	21,479	(24,525)
Cash and Cash Equivalents at Beginning of Year	662,810	72,135	734,945
Cash and Cash Equivalents at End of Year	$616,806	$93,614	$710,420
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:			
Operating Loss	($388,498)	($276,341)	($664,839)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:			
Depreciation	14,264	8,304	22,568
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	33,353	(177)	33,176
Decrease in Intergovernmental Receivable	18,407	0	18,407
Increase in Inventory Held for Resale	0	(138)	(138)
Decrease in Materials and Supplies Inventory	0	565	565
Decrease in Accounts Payable	(1,282)	(510)	(1,792)
Decrease in Accrued Wages and Benefits Payable	(26,284)	(5,332)	(31,616)
Increase (Decrease) in Intergovernmental Payable	(2,459)	114	(2,345)
Decrease in Compensated Absences Payable	(5,224)	(638)	(5,862)
Increase in Net Pension Liability	167,143	13,996	181,139
Decrease in Deferred Outflows - Pension	203,683	9,975	213,658
Decrease in Deferred Inflows - Pension	(456,000)	(31,285)	(487,285)
Decrease in Net OPEB Asset	39,917	0	39,917
Increase in Net OPEB Liability	5,507	4,581	10,088
Decrease in Deferred Outflows - OPEB	34,265	6,328	40,593
Decrease in Deferred Inflows - OPEB	(94,639)	(20,485)	(115,124)
Net Cash Used for Operating Activities	($457,847)	($291,043)	($748,890)

Non-Cash Capital Transactions

In fiscal year 2023, the Adult Education Fund had payables related to the acquisition of capital assets, in the amount of $5,300.

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Private Purpose Trust	Custodial
Assets:		
Equity in Pooled Cash and Cash Equivalents	$63,019	$6,262
Notes Receivable	3,434	0
Total Assets	$66,453	$6,262
Net Position:		
Held in Trust for Scholarships	$16,202	$0
Endowments	50,251	0
Restricted for Individuals, Organizations, and Other Governments	0	6,262
Total Net Position	$66,453	$6,262

See Accompanying Notes to the Basic Financial Statements

Tri-Rivers Joint Vocational School District
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024

	Private Purpose Trust	Custodial
Additions:		
Student Loan Proceeds	$0	$537,037
Pell Grants	0	517,586
Gifts and Donations	1,575	0
Total Additions	1,575	1,054,623
Deductions:		
Distributions to Individuals	0	1,054,623
Net Increase in Fiduciary Net Position	1,575	0
Net Position Beginning of Year	64,878	6,262
Net Position at End of Year	$66,453	$6,262

See Accompanying Notes to the Basic Financial Statements

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Note 1 - Description of the School District and Reporting Entity

The Tri-Rivers Joint Vocational School District (the "School District") is a distinct political subdivision of the State of Ohio operated under the direction of a thirteen member Board of Education consisting of one representative from each of the participating school districts' elected boards. The Board possesses its own budgeting and taxing authority. The School District exposes students to job training skills leading to employment upon graduation from high school.

The School District was established in 1974. The School District serves Marion and the surrounding counties. It is staffed by thirty-four classified employees, forty-two certified teaching personnel, and twelve administrative employees who provide services to 665 students and other community members. The School District currently operates one instruction/administration building and one instruction building soley for adult education health care.

Reporting Entity

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

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

The School District participates in the Metropolitan Educational Technology Association (META), a jointly governed organization, and the Stark County Schools Council of Governments Health Benefit Plan and the Ohio School Boards Association Workers' Compensation Group Rating Plan, insurance pools. These organizations are presented in Notes 22 and 23 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental in nature and those that are considered business-type activities.

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

Fund Financial Statements

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

B. Fund Accounting

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

Note 2 - Summary of Significant Accounting Policies (continued)

Governmental Funds

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

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

Classroom Facilities Fund - The Classroom Facilities Fund is used to account for resources received from the Ohio Facilities Construction Commission and restricted for the building and equipping of classroom facilities.

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

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, change in net position, financial position, and cash flows.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District has one major enterprise fund.

Adult Education - The Adult Education enterprise fund accounts for the activities related to providing adult education classes.

The other enterprise funds of the School District account for food service operations and activities related to vocational programs.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report activities that are not required to be reported in a trust fund. The School District's private purpose trust funds account for programs that provide college scholarships to students after graduation. The School District's custodial funds are used to account for resources held on behalf of Pell and student loan recipients and the Marion Area Workforce Collaboration.

Note 2 - Summary of Significant Accounting Policies (continued)

C. Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

For the enterprise funds, the statement of revenues, expenses, and changes in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the School District finances and meets the cash flow needs of its enterprise funds.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from fiduciary funds.

D. Basis of Accounting

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

Note 2 - Summary of Significant Accounting Policies (continued)

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the 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 District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB and explained in Note 14 and Note 15 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources consists of property taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there was an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations. This amount has been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue consists of intergovernmental revenue including grants, delinquent property taxes, and other sources. This amount is deferred and recognized as an inflow of resources in the period when the amount becomes available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities on page 19. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and explained in Note 14 and Note 15 to the basic financial statements.

Expenses/Expenditures

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

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

E. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control is at the fund level for all funds. Budgetary allocations at the function and object level within all funds are made by the School District Treasurer.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources requested by the School District prior to fiscal year end.

Note 2 - Summary of Significant Accounting Policies (continued)

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

F. Cash and Investments

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

During fiscal year 2024, the School District invested in mutual funds, negotiable certificates of deposit, federal agency securities, United States treasury securities, commercial paper, and STAR Ohio. Investments are reported at fair value or amortized cost. Fair value is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, "Certain External Investment Pools and Pool Participants". The School District measures the investment in STAR Ohio at net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

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

The School District's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year.

The Board of Education has allocated interest earnings according to State statutes. Investment earnings and other interest revenue credited to the General Fund during fiscal year 2024 was $600,590 which includes $153,334 assigned from other School District funds.

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

Note 2 - Summary of Significant Accounting Policies (continued)

G. 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 purchase and an expenditure/expense is reported in the year in which services are consumed.

H. Inventory

Inventory is stated at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of administrative supplies in the governmental funds and donated and purchased food in the enterprise funds.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the General Fund represents amounts required by State statute to be set aside for capital improvements. Restricted assets in enterprise fund represent amounts held in trust by the OPEB plans for future benefits.

J. Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise funds. They generally result from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column on the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their acquisition value on the date donated. The School District maintains a capitalization threshold of ten thousand dollars. The School District does not have 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 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	Useful Lives
Buildings and Building Improvements	10 - 65 years
Furniture, Fixtures, and Equipment	5 - 30 years
Vehicles	5 - 10 years

Note 2 - Summary of Significant Accounting Policies (continued)

K. Interfund Assets/Liabilities

On fund financial statements, outstanding interfund loans are reported as "Interfund Receivables/Payables". Interfund balances are eliminated on the statement of net position, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as "Internal Balances".

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

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the School District will compensate the employees for the benefits through paid time off or some other means. The School District 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 District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees with at least twenty-five years of service, with at least twenty years of service and at least fifty years of age, or with any amount of service and at least fifty-five years of age.

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

M. Accrued Liabilities and Long-Term Obligations

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

N. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance 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 its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for federal and state grants. Restricted net position for OPEB plans represent the corresponding restricted asset amounts held in trust by the OPEB plans for future benefits.

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund Balance

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

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

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

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

Assigned - Amounts in the assigned classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. Assigned amounts represent intended uses established by the Board of Education. The Board of Education has authorized the Treasurer to assign fund balance for purchases on order provided those amounts have been lawfully appropriated. The Board of Education has also assigned fund balance to cover a gap between estimated resources and appropriations in the fiscal year 2025 budget and for sponsorship oversight responsibilities, staff, and wellness activities.

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the School District, these revenues are charges for services for adult education and sales for food service and vocational programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise funds. All revenues and expenses not meeting this definition are reported as non-operating.

Q. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues. Transfers within governmental activities or within business-type activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

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

R. Pension/Other Postemployment Benefits

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pension/OPEB, pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans, and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB systems. 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 systems report investments at fair value.

Note 2 - Summary of Significant Accounting Policies (continued)

S. Estimates

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

Note 3 - Change in Accounting Principles

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

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

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

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

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

Note 4 - Accountability

The deficit net position in the Adult Education and Food Service enterprise funds, in the amount of $1,048,369 and $96,640, respectively, is the result of recording the net pension/OPEB liability. The deficit will be eliminated when the liability becomes due and payable upon retirement of the employee.

Note 5 - Budgetary Basis of Accounting

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

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

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

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

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

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

The adjustments necessary to reconcile the GAAP and budgetary basis statements are as follows:

Changes in Fund Balance

	General
GAAP Basis	$370,348
Increase (Decrease) Due To:	
Revenue Accruals:	
Accrued FY 2023, Received in Cash FY 2024	1,764,347
Accrued FY 2024, Not Yet Received in Cash	(1,830,637)
Expenditure Accruals:	
Accrued FY 2023, Paid in Cash FY 2024	(1,037,042)
Accrued FY 2024, Not Yet Paid in Cash	1,116,570
Cash Adjustments:	
Unrecorded Cash Activity FY 2023	(127,087)
Unrecorded Cash Activity FY 2024	24,262

(continued)

Note 5 - Budgetary Basis of Accounting (continued)

Changes in Fund Balance
(continued)

	General
Prepaid Items	$1,168
Materials and Supplies Inventory	(5,553)
Advances In	10,000
Encumbrances Outstanding at	
Fiscal Year End (Budget Basis)	(225,212)
Budget Basis	$61,164

Note 6 - Deposits and Investments

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

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

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

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

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

Interim monies held by the School District may be deposited or invested in the following securities:

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

Note 6 - Deposits and Investments (continued)

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

3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

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

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

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

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

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

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

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

Note 6 - Deposits and Investments (continued)

Investments

As of June 30, 2024, the School District had the following investments:

Measurement/Investment	Measurement Amount	Less Than Six Months	Six Months to One Year	One Year to Two Years	More Than Two Years
Fair Value - Level One Inputs					
Mutual Funds	$12,691	$12,691	$0	$0	$0
Fair Value - Level Two Inputs					
Negotiable Certificates of Deposit	2,599,196	583,019	240,639	493,878	1,281,660
Federal Farm Credit Bank Notes	149,885	0	0	0	149,885
Federal Home Loan Bank Notes	892,129	331,676	193,365	0	367,088
United States Treasury Notes	147,747	147,747	0	0	0
Total Fair Value - Level Two Inputs	3,788,957	1,062,442	434,004	493,878	1,798,633
Amortized Cost					
Commercial Paper	944,016	770,656	173,360	0	0
Net Asset Value Per Share					
STAR Ohio	9,544,832	9,544,832	0	0	0
Total Investments	$14,290,496	$11,390,621	$607,364	$493,878	$1,798,633

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

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the School District.

Note 6 - Deposits and Investments (continued)

The negotiable certificates of deposit are generally covered by FDIC insurance. The mutual funds carry a rating of Aaa-mf by Moody's. The federal agency securities and United States treasury securities carry a rating of Aaa by Moody's. The commercial paper carries a rating of P-1 by Moody's. STAR Ohio carries a rating of AAA by Standard and Poor's. The School District has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that mutual funds must be rated, at the time of purchase, in the highest category by at least one nationally recognized statistical rating organization. Commercial paper must be rated in the highest category at the time of purchase by two nationally recognized statistical rating organizations. STAR Ohio must maintain the highest rating provided by at least one nationally recognized statistical rating organization.

The School District's investment policy states that the School District may not invest more than 40 percent of its portfolio individually or in combination in commercial paper and/or bankers' acceptances. The following table indicates the percentage of each investment to the School District's total portfolio.

	Fair	Percentage of Portfolio
Negotiable Certificates of Deposit	$2,599,196	18.19%
Federal Farm Credit Bank	149,885	1.05
Federal Home Loan Bank	892,129	6.24
United States Treasury Notes	147,747	1.03
Commercial Paper	944,016	6.61

Note 7 - Receivables

Receivables at June 30, 2024, consisted of accrued interest, accounts (billings for user charged services and student fees), intergovernmental, interfund, property taxes, and notes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except for property taxes and a portion of notes, are considered collectible within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Notes receivable are repaid according to payment schedules made with the various students.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	$1,581
TRECA Digital Academy	83,132
Total General Fund	84,713
Classroom Facilities	5,933,163
Total Major Funds	6,017,876
	(continued)

<u>Note 7 – Receivables</u> (continued)

	Amount
Governmental Activities (continued)	
Other Governmental Funds	
VEPD Grant	$21,045
Total Other Governmental Funds	21,045
Total Intergovernmental Receivables	$6,038,921

	Amount
Business-Type Activities	
Adult Education	$2,678

<u>Note 8 - Property Taxes</u>

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenues received in calendar year 2024 represent the collection of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2023, on the assessed values as of January 1, 2023, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2024 represent the collection of calendar year 2023 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 became a lien on December 31, 2022, were levied after April 1, 2023, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The School District receives property taxes from seven counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2024, are available to finance fiscal year 2024 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents real and public utility property taxes which were measurable as of June 30, 2024, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources - property taxes.

Note 8 - Property Taxes (continued)

The amount available as an advance at June 30, 2024, was $1,721,345 in the General Fund. The amount available as an advance at June 30, 2023, was $1,729,712 in the General Fund.

Collectible delinquent property taxes have been recorded as a receivable and revenue on an accrual basis. On a modified accrual basis, the revenue has been recorded as deferred inflows of resources - unavailable revenue.

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

	2023 Second-Half Collections		2024 First-Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	$2,314,612,840	91.74%	$2,632,757,090	92.23%
Public Utility	208,497,820	8.26	221,791,750	7.77
Total Assessed Value	$2,523,110,660	100.00%	$2,854,548,840	100.00%
Tax rate per $1,000 of assessed valuation	$4.40		$4.40	

Note 9 - Tax Abatements

The School District's property taxes were reduced as follows under community reinvestment area agreements entered into by overlapping governments.

Overlapping Government	Amount of Fiscal Year 2024 Taxes Abated
Community Reinvestment Area	
City of Marion	$2,233
Marion County	26,378
Morrow County	79,047
Enterprise Zone Agreement	
Morrow County	1,616
Village of Richwood	334
	$109,608

Note 10 - Capital Assets

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

	Balance at 6/30/23	Additions	Reductions	Balance at 6/30/24
Governmental Activities				
Nondepreciable Capital Assets				
Land	$241,082	$0	$0	$241,082
Construction in Progress	0	357,389	0	357,389
Total Nondepreciable Capital Assets	241,082	357,389	0	598,471
Depreciable Capital Assets				
Land Improvements	129,893	0	0	129,893
Building and Building Improvements	12,207,780	0	0	12,207,780
Furniture, Fixtures, and Equipment	6,093,029	831,429	(11,340)	6,913,118
Vehicles	701,474	0	(17,376)	684,098
Total Depreciable Capital Assets	19,132,176	831,429	(28,716)	19,934,889
Less Accumulated Depreciation				
Land Improvements	(5,142)	(6,765)	0	(11,907)
Building and Building Improvements	(7,472,041)	(36,209)	0	(7,508,250)
Furniture, Fixtures, and Equipment	(3,550,147)	(562,023)	8,978	(4,103,192)
Vehicles	(167,373)	(26,863)	17,376	(176,860)
Total Accumulated Depreciation	(11,194,703)	(631,860)	26,354	(11,800,209)
Depreciable Capital Assets, Net	7,937,473	199,569	(2,362)	8,134,680
Governmental Activities Capital Assets, Net	$8,178,555	$556,958	($2,362)	$8,733,151

Note 10 - Capital Assets (continued)

	Balance at 6/30/23	Additions	Reductions	Balance at 6/30/24
Business-Type Activities				
Nondepreciable Capital Assets				
Land	$152,940	$0	$0	$152,940
Construction in Progress	256,341	30,905	(287,246)	0
Total Nondepreciable Capital Assets	409,281	30,905	(287,246)	152,940
Depreciable Capital Assets				
Building and Building Improvements	2,410,540	287,246	0	2,697,786
Furniture, Fixtures, and Equipment	85,616	53,023	0	138,639
Total Depreciable Capital Assets	2,496,156	340,269	0	2,836,425
Less Accumulated Depreciation				
Building and Building Improvements	(702,688)	(11,044)	0	(713,732)
Furniture, Fixtures, and Equipment	(38,325)	(11,524)	0	(49,849)
Total Accumulated Depreciation	(741,013)	(22,568)	0	(763,581)
Depreciable Capital Assets, Net	1,755,143	317,701	0	2,072,844
Business-Type Activities Capital Assets, Net	$2,164,424	$348,606	($287,246)	$2,225,784

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Vocational	$521,609
Support Services:	
Pupils	2,138
Instructional Staff	4,275
Administration	4,275
Fiscal	2,138
Business	6,413
Operation and Maintenance of Plant	59,560
Pupil Transportation	3,285
Central	28,167
Total Depreciation Expense	$631,860

Note 10 - Capital Assets (continued)

Depreciation expense was charged to other enterprise funds as follows:

Other Enterprise Funds	
Adult Education	$14,264
Food Service	8,304
Total Depreciation Expense	$22,568

Note 11 - Interfund Assets/Liabilities

At June 30, 2024, the General Fund had interfund receivables from other governmental funds for short-term loans made to those funds in the amount of $21,045. All amounts are expected to be repaid within one year.

Note 12 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2024, the School District contracted for the following insurance coverage:

Coverage provided by Liberty Mutual is as follows:	
Building and Contents	$69,093,256
Coverage provided by American Family Home insurance is as follows:	
General School District Liability	
Per Occurrence	1,000,000
Aggregate	3,000,000
Commercial Excess	2,000,000
Automobile Liability	1,000,000
Uninsured Motorists	1,000,000
Crime Coverage	250,000

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

The School District participates in the Stark County Schools Council of Governments Health Benefit Plan (Plan), a public entity shared risk pool. The School District pays monthly premiums to the Plan for employee medical, dental, vision, and life insurance benefits. The Plan is responsible for the management and operations of the program. Upon withdrawal from the Plan, the participant is responsible for the payment of all Plan liabilities to its employees, dependents, and designated beneficiaries accruing as a result of withdrawal.

Note 12 - Risk Management (continued)

For fiscal year 2024, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

Note 13 - Contractual Commitments

At fiscal year end, the amount of significant encumbrances expected to be honored upon performance by the vendor in fiscal year 2025 are as follows:

General Fund	$225,212
Other Governmental Funds	247,837
Total	$473,049

Note 14 - Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 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 District's contractually required contribution to SERS was $331,287 for fiscal year 2024. Of this amount $14,292 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

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

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

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

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

The School District's contractually required contribution to STRS was $813,906 for fiscal year 2024. Of this amount $95,012 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 District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.05602800%	0.03973180%	
Prior Measurement Date	0.05279330%	0.03984730%	
Change in Proportionate Share	0.00323470%	-0.00011550%	
Proportionate Share of the Net Pension Liability	$3,095,836	$8,556,219	$11,652,055
Pension Expense	$252,153	$756,642	$1,008,795

Note 14 - Defined Benefit Pension Plans (continued)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$133,066	$311,941	$445,007
Changes of assumptions	21,930	704,651	726,581
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	124,736	76,919	201,655
School District contributions subsequent to the measurement date	331,287	813,906	1,145,193
Total Deferred Outflows of Resources	$611,019	$1,907,417	$2,518,436
Deferred Inflows of Resources			
Differences between expected and actual experience	$0	$18,987	$18,987
Changes of assumptions	0	530,399	530,399
Net difference between projected and actual earnings on pension plan investments	43,514	25,643	69,157
Changes in proportionate share and Difference between School District contributions and proportionate share of contributions	6,324	182,036	188,360
Total Deferred Inflows of Resources	$49,838	$757,065	$806,903

$1,145,193 reported as deferred outflows of resources related to pension resulting from the School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	$64,486	($77,972)	($13,486)
2026	(70,044)	(367,200)	(437,244)
2027	233,143	838,685	1,071,828
2028	2,309	(57,067)	(54,758)
Total	$229,894	$336,446	$566,340

Note 14 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions - SERS

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

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

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

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

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

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$4,569,295	$3,095,836	$1,854,727

Note 14 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions - STRS

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

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

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

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

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

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$13,157,570	$8,556,219	$4,664,734

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2024, seven of the Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 15 - Defined Benefit OPEB Plans

See Note 14 for a description of the net OPEB liability (asset).

Note 15 - Defined Benefit OPEB Plans (continued)

Plan Description - School Employees Retirement System (SERS)

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

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 District's surcharge obligation was $17,193.

Note 15 - Defined Benefit OPEB Plans (continued)

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was $17,193 for fiscal year 2024. Of this amount $17,193 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

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

	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.05342900%	0.03973180%	
Prior Measurement Date	0.04953380%	0.03984730%	
Change in Proportionate Share	0.00389520%	-0.00011550%	
Proportionate Share of the:			
Net OPEB Liability	$880,213	$0	$880,213
Net OPEB Asset	$0	$772,730	$772,730
OPEB Expense	($73,852)	($50,103)	($123,955)

Note 15 - Defined Benefit OPEB Plans (continued)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$1,834	$1,205	$3,039
Changes of assumptions	297,626	113,834	411,460
Net difference between projected and actual earnings on OPEB plan investments	6,822	1,380	8,202
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	112,668	4,399	117,067
School District contributions subsequent to the measurement date	17,193	0	17,193
Total Deferred Outflows of Resources	$436,143	$120,818	$556,961
Deferred Inflows of Resources			
Differences between expected and actual experience	$453,959	$117,860	$571,819
Changes of assumptions	249,990	509,835	759,825
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	159,554	366	159,920
Total Deferred Inflows of Resources	$863,503	$628,061	$1,491,564

$17,193 reported as deferred outflows of resources related to OPEB resulting from the School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	($147,857)	($224,728)	($372,585)
2026	(124,243)	(102,546)	(226,789)
2027	(87,022)	(39,234)	(126,256)
2028	(61,065)	(53,873)	(114,938)
2029	(33,778)	(49,252)	(83,030)
Thereafter	9,412	(37,610)	(28,198)
Total	($444,553)	($507,243)	($951,796)

Note 15 - Defined Benefit OPEB Plans (continued)

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:

	June 30, 2023
Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Fiduciary Net Position is Projected to be Depleted	2048
Municipal Bond Index Rate:	
Measurement Date	3.86 percent
Prior Measurement Date	3.69 percent
Single Equivalent Interest Rate,	
Measurement Date	4.27 percent
Prior Measurement Date	4.08 percent
Health Care Cost Trend Rate	
Medical Trend Assumption	
Measurement Date	6.75 to 4.40 percent
Prior Measurement Date	7.00 to 4.40 percent

Note 15 - Defined Benefit OPEB Plans (continued)

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

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

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

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

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.

Note 15 - Defined Benefit OPEB Plans (continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) 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 District's proportionate share of the net OPEB liability	$1,125,165	$880,213	$687,059

	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 District's proportionate share of the net OPEB liability	$646,662	$880,213	$1,189,700

Note 15 - Defined Benefit OPEB Plans (continued)

Actuarial Assumptions - STRS

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

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

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

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

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

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

Note 15 - Defined Benefit OPEB Plans (continued)

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 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 District's proportionate share of the net OPEB asset	$654,014	$772,730	$876,117

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	$880,914	$772,730	$642,421

Note 16 - Other Employee Benefits

A. Compensated Absences

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

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred eighty days for all personnel. Upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of seventy days. Teachers who miss 5.5 days or less in four out of the last five years of employment prior to retirement will receive an additional thirty days of severance pay.

Note 16 - Other Employee Benefits (continued)

B. Health Care Benefits

The School District offers employee medical, dental, life, and vision insurance benefits to all employees through the Stark County Schools Council of Governments Health Benefit Plan. The employees share the cost of the monthly premium with the Board. The premium varies with each employee depending on marital and family status.

C. Separation Benefits

The School District offers a separation benefit of $15,000 to teachers under the TREA Bargaining Unit who retire during the summer of their first year of eligibility or who retire during the summer after they first attain thirty years of STRS service credit at any age.

Note 17 - Long-Term Obligations

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

	Balance at 6/30/23	Additions	Reductions	Balance at 6/30/24	Amounts Due Within One Year
Governmental Activities					
General Obligation					
from Direct Placement					
Energy Conservation Notes					
FY 2013 2.65%	$425,410	$0	$78,190	$347,220	$80,260
Net Pension Liability					
SERS	2,455,706	237,672	0	2,693,378	0
STRS	7,086,483	0	327,071	6,759,412	0
Total Net Pension Liability	9,542,189	237,672	327,071	9,452,790	0
Net OPEB Liability					
SERS	598,096	167,692	0	765,788	0
Financed Purchase Payable	58,254	0	28,510	29,744	29,744
Capital Loans Payable	355,000	0	71,000	284,000	71,000
Compensated Absences Payable	356,709	81,894	0	438,603	115,536
Total Other Long-Term Obligations	10,910,248	487,258	426,581	10,970,925	216,280
Total Governmental Activities Long-Term Obligations	$11,335,658	$487,258	$504,771	$11,318,145	$296,540

Note 17 - Long-Term Obligations (continued)

	Balance at 6/30/23	Additions	Reductions	Balance at 6/30/24	Amounts Due Within One Year
Business-Type Activities					
General Obligation Bonds from Direct Placement					
General Obligation Bond FY 2022 2.53%	$1,931,000	$0	$92,000	$1,839,000	$95,000
Net Pension Liability					
SERS	399,767	2,691	0	402,458	0
STRS	1,771,621	25,186	0	1,796,807	0
Total Net Pension Liability	2,171,388	27,877	0	2,199,265	0
Net OPEB Liability					
SERS	97,364	17,061	0	114,425	0
Compensated Absences Payable	66,533	12,274	18,136	60,671	10,491
Total Other Long-Term Obligations	2,335,285	57,212	18,136	2,374,361	10,491
Total Business-Type Activities Long-Term Obligations	$4,266,285	$57,212	$110,136	$4,213,361	$105,491

FY 2013 Energy Conservation Notes - On May 30, 2013, the School District issued notes, in the original amount of $1,118,800, through direct placement to provide energy conservation measures for the School District. The notes were issued for a fifteen year period, with a final maturity in fiscal year 2028. The notes are being retired through the Bond Retirement debt service fund.

FY 2022 General Obligation Bond - On May 17, 2022, the School District issued bonds, in the original amount of $2,044,000, through direct placement to acquire and renovate a building. The bonds were issued for an eighteen year period, with a final maturity in fiscal year 2040. The bonds are being retired through the adult education enterprise fund. Of the $2,044,000, $260,837 has not been capitalized.

Net Pension/OPEB Liability - There is no repayment schedule for the net pension/OPEB liability; however, employer pension/OPEB contributions are made from the General Fund and the Adult Education and Food Service enterprise funds.

During fiscal year 2021, the School District entered into a finance purchase agreement for four servers, in the amount of $111,777 to be paid from the General Fund.

During fiscal year 2023, the School District entered into a capital loan agreement for the purchase of equipment, in the amount of $355,000 to be paid from the General Fund.

Compensated absences will be paid from the General Fund and the Adult Education and Food Service enterprise funds.

Note 17 - Long-Term Obligations (continued)

The School District's overall debt margin was $255,070,396 with an unvoted debt margin of $1,015,549 at June 30, 2024.

The following is a summary of the School District's future annual debt service requirements for governmental activities long-term obligations:

Fiscal Year Ending June 30,	General Obligation Debt from Direct Placement		Financed Purchases from Direct Placement		Capital Loans from Direct Placement	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	$80,260	$8,138	$29,744	$1,288	$71,000	$9,940
2026	82,390	5,983	0	0	71,000	7,455
2027	84,570	3,770	0	0	71,000	4,970
2028	100,000	1,325	0	0	71,000	2,485
	$347,220	$19,216	$29,744	$1,288	$284,000	$24,850

The School District's future annual debt service requirements payable from the business-type activity are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds from Direct Placement	
	Principal	Interest
2025	$95,000	$45,325
2026	97,000	42,896
2027	99,000	40,417
2028	102,000	37,874
2029	105,000	35,256
2030-2034	564,000	134,673
2035-2039	639,000	58,683
2040	138,000	1,745
	$1,839,000	$396,869

Note 18 - Set Asides

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

Note 18 - Set Asides (continued)

The following cash basis information identifies the change in the fund balance set aside for capital improvements during fiscal year 2024.

	Capital Improvements
Balance June 30, 2023	$62,027
Current Year Set Aside Requirement	121,090
Qualifying Expenditures	(101,897)
Balance June 30, 2024	$81,220

Note 19 - Internal Balances and Transfers

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

Eliminations made in the total column of the government-wide statement of net position for pension include deferred outflows of resources and deferred inflows of resources, in the amount of $78,660.

Eliminations made in the total column of the government-wide statement of net position for OPEB include deferred outflows of resources and deferred inflows of resources, in the amount of $13,251.

Eliminations made in the business type activities column include a deferred outflow of resources for the Food Service enterprise fund and a deferred inflow of resources for the Food Service enterprise fund in the amount of $7,484 related to pension and $5,061 related to OPEB.

During fiscal year 2024, the General Fund made transfers to other governmental funds, in the amount of $808,758, as debt payments came due and to support operations. The General Fund made transfers to the other enterprise funds, in the amount of $167,547 to support operations.

Note 20 - Fund Balance

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

Fund Balance	General	Classroom Facilities	Other Governmental	Total Governmental Funds
Nonspendable for:				
Prepaid Items	$2,634	$0	$0	$2,634
Materials and Supplies Inventory	28,262	0	0	28,262
Total Nonspendable	30,896	0	0	30,896
Restricted for:				
Capital Improvements	0	0	662,331	662,331
Classroom Facilities	0	7,561,970	0	7,561,970
Professional Development	0	0	527	527
Set Asides	81,220	0	0	81,220
Student Assistance	0	0	11,258	11,258
Student Organizations	0	0	74,980	74,980
Vocational Instruction	0	0	326,163	326,163
Total Restricted	81,220	7,561,970	1,075,259	8,718,449
Assigned for:				
Projected Budget Shortage	9,666,622	0	0	9,666,622
Sponsorship Oversight	2,303,578	0	0	2,303,578
Unpaid Obligations	200,857	0	0	200,857
Staff Activities	775	0	0	775
Wellness Activities	56	0	0	56
Total Assigned	12,171,888	0	0	12,171,888
Unassigned (Deficit)	(330,870)	0	0	(330,870)
Total Fund Balance	$11,953,134	$7,561,970	$1,075,259	$20,590,363

Note 21 - Donor Restricted Endowments

The School District's private purpose trust fund consists of donor restricted endowments and realized and unrealized appreciation on investments. Endowments, in the amount of $50,251, represent the principal portion. The amount of net appreciation in donor restricted investments that is available for expenditures by the School District is $16,202 and is reflected as held in trust for scholarships. State law permits the School District to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowment indicates that the interest should be used to provide scholarships each year.

Note 22 - Jointly Governed Organization

The School District is a participant in the Metropolitan Educational Technology Association (META), which is a computer consortium. META is an association of public school districts within the boundaries of Athens, Crawford, Delaware, Erie, Franklin, Knox, Licking, Lorain, Marion, Morrow, Muskingum, Union, and Wyandot Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of META consists of twelve members of participating school districts. During fiscal year 2024, the School District paid $18,317 to META for various services. Financial information can be obtained from META, 100 Executive Drive, Marion, Ohio 43302.

Note 23 - Insurance Pools

A. Stark County Schools Council of Governments Health Benefit Plan

The School District participates in a public entity shared risk pool, the Stark County Schools Council of Governments Health Benefit Plan (Plan) for employee medical, dental, vision, and life insurance benefits. The Plan is administered by the Stark County Schools Council (SCSC), a regional council of governments established in accordance with Chapter 167 of the Ohio Revised Code. The SCSC is governed by an assembly consisting of one representative from each participant. Each participant pays its premiums to the Plan based on an apportionment of estimated costs established by the SCSC prior to the beginning of each fiscal year. Should estimated program costs be insufficient to pay all claims for the fiscal year, the SCSC notifies each participant of any additional program costs for the fiscal year. Upon withdrawal from the Health Benefit Plan, a participant is entitled to be refunded any excess contributions being held by the Plan.

Participation in the Health Benefit Plan is by written application subject to acceptance by the Board of Directors of the Assembly and payment of the monthly premiums. Financial information can be obtained from the Stark County Educational Service Center, who serves as fiscal agent, 2100 Thirty-Eighth Street Northwest, Canton, Ohio 44709.

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

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP) was established through the Ohio School Boards Association (OSBA) as an insurance purchasing pool.

The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect, and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the GRP. Each year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

Note 24 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2024.

B. Litigation

There are currently no matters in litigation with the School District as defendant.

Note 25 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During fiscal year 2024, the School District received COVID-19 funding. The School District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Note 26 - Subsequent Event

On August 14, 2024 the Board of Education entered into a direct placement capital loan, in the amount of $5,600,000 with an interest rate of 4.28% for school construction and improvement. The loan is for ten years and matures on December 1, 2033.

Tri-Rivers Joint Vocational School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.05602800%	0.05279330%	0.05344190%	0.05827520%
School District's Proportionate Share of the Net Pension Liability	$3,095,836	$2,855,473	$1,971,850	$3,854,445
School District's Employee Payroll	$2,123,050	$2,098,779	$1,844,679	$1,971,321
School District's Proportionate Share of the Net Pension Liability as a Percentage of Employee Payroll	145.82%	136.05%	106.89%	195.53%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.06%	75.82%	82.86%	68.55%

Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See Accompanying Notes to the Required Supplementary Information

2020	2019	2018	2017	2016	2015
0.05072820%	0.05273330%	0.05020430%	0.04942690%	0.04406660%	0.03282400%
$3,035,157	$3,020,134	$2,999,598	$3,617,592	$2,514,483	$1,661,204
$1,811,948	$1,706,319	$1,562,486	$1,535,014	$1,326,646	$902,107
167.51%	177.00%	191.98%	235.67%	189.54%	184.15%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%

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

	2024	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.03973180%	0.03984730%	0.039822904%	0.04086226%
School District's Proportionate Share of the Net Pension Liability	$8,556,219	$8,858,104	$5,091,716	$9,887,213
School District's Employee Payroll	$5,390,107	$5,748,671	$4,880,036	$4,973,971
School District's Proportionate Share of the Net Pension Liability as a Percentage of Employee Payroll	158.74%	154.09%	104.34%	198.78%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.00%	78.90%	87.80%	75.50%

Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See Accompanying Notes to the Required Supplementary Information

2020	2019	2018	2017	2016	2015
0.03890353%	0.03773990%	0.03770097%	0.03925362%	0.04161338%	0.04458141%
$8,603,281	$8,298,156	$8,955,946	$13,139,370	$11,500,721	$10,843,742
$4,666,664	$4,306,929	$4,101,929	$4,117,700	$4,295,700	$4,552,469
184.36%	192.67%	218.33%	319.09%	267.73%	238.19%
77.30%	77.30%	75.30%	66.80%	72.10%	74.70%

Tri-Rivers Joint Vocational School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
Last Eight Fiscal Years (1)

	2024	2023	2022	2021
School District's Proportion of the Net OPEB Liability	0.05342900%	0.04953380%	0.05085210%	0.05578490%
School District's Proportionate Share of the Net OPEB Liability	$880,213	$695,460	$962,417	$1,212,388
School District's Employee Payroll	$2,123,050	$2,098,779	$1,844,679	$1,971,321
School District's Proportionate Share of the Net OPEB Liability as a Percentage of Employee Payroll	41.46%	33.14%	52.17%	61.50%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.02%	30.34%	24.08%	18.17%

(1) Information prior to 2017 is not available.

Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See Accompanying Notes to the Required Supplementary Information

2020	2019	2018	2017
0.04873290%	0.05027780%	0.04969330%	0.04929250%
$1,225,529	$1,394,843	$1,333,637	$1,405,020
$1,811,948	$1,706,319	$1,562,486	$1,535,014
67.64%	81.75%	85.35%	91.53%
15.57%	13.57%	12.46%	11.49%

Tri-Rivers Joint Vocational School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Eight Fiscal Years (1)

	2024	2023	2022	2021
School District's Proportion of the Net OPEB Liability (Asset)	0.03973180%	0.03984730%	0.039822904%	0.04086226%
School District's Proportionate Share of the Net OPEB Liability (Asset)	($772,730)	($1,031,779)	($839,635)	($718,153)
School District's Employee Payroll	$5,390,107	$5,748,671	$4,880,036	$4,973,971
School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Employee Payroll	-14.34%	-17.95%	-17.21%	-14.44%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	168.50%	230.70%	174.70%	182.10%

(1) Information prior to 2017 is not available.

Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See Accompanying Notes to the Required Supplementary Information

2020	2019	2018	2017
0.03890353%	0.03773990%	0.03770097%	0.03925362%
($644,336)	($606,411)	$1,470,953	$2,099,294
$4,666,664	$4,306,929	$4,101,929	$4,117,700
-13.81%	-14.08%	35.86%	50.98%
174.70%	176.00%	47.10%	37.30%

Tri-Rivers Joint Vocational School District
Required Supplementary Information
Schedule of the School District's Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
Net Pension Liability				
Contractually Required Contribution	$331,287	$297,227	$293,829	$258,255
Contributions in Relation to the Contractually Required Contribution	(331,287)	(297,227)	(293,829)	(258,255)
Contribution Deficiency (Excess)	$0	$0	$0	$0
School District Employee Payroll (1)	$2,366,336	$2,123,050	$2,098,779	$1,844,679
Pension Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution (2)	$17,193	$16,270	$9,599	$13,029
Contributions in Relation to the Contractually Required Contribution	(17,193)	(16,270)	(9,599)	(13,029)
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Employee Payroll	0.73%	0.77%	0.46%	0.71%
Total Contributions as a Percentage of Employee Payroll (2)	14.73%	14.77%	14.46%	14.71%

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

See Accompanying Notes to the Required Supplementary Information

2020	2019	2018	2017	2016	2015
$275,985	$244,613	$230,353	$218,748	$214,902	$174,852
(275,985)	(244,613)	(230,353)	(218,748)	(214,902)	(174,852)
$0	$0	$0	$0	$0	$0
$1,971,321	$1,811,948	$1,706,319	$1,562,486	$1,535,014	$1,326,646
14.00%	13.50%	13.50%	14.00%	14.00%	13.18%
$13,668	$23,557	$21,393	$21,291	$21,526	$27,358
(13,668)	(23,557)	(21,393)	(21,291)	(21,526)	(27,358)
$0	$0	$0	$0	$0	$0
0.69%	1.30%	1.25%	1.36%	1.40%	2.06%
14.69%	14.80%	14.75%	15.36%	15.40%	15.24%

Tri-Rivers Joint Vocational School District
Required Supplementary Information
Schedule of the School District's Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
Net Pension Liability				
Contractually Required Contribution	$813,906	$754,615	$804,814	$683,205
Contributions in Relation to the Contractually Required Contribution	(813,906)	(754,615)	(804,814)	(683,205)
Contribution Deficiency (Excess)	$0	$0	$0	$0
School District Employee Payroll	$5,813,614	$5,390,107	$5,748,671	$4,880,036
Pension Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Employee Payroll	0.00%	0.00%	0.00%	0.00%
Total Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	14.00%

See Accompanying Notes to the Required Supplementary Information

2020	2019	2018	2017	2016	2015
$696,356	$653,333	$602,970	$574,270	$576,478	$601,398
(696,356)	(653,333)	(602,970)	(574,270)	(576,478)	(601,398)
$0	$0	$0	$0	$0	$0
$4,973,971	$4,666,664	$4,306,929	$4,101,929	$4,117,700	$4,295,700
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
$0	$0	$0	$0	$0	$0
0	0	0	0	0	0
$0	$0	$0	$0	$0	$0
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Net Pension Liability

Changes in Benefit Terms/Assumptions - SERS

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

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

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

Beginning in 2022, amounts reported use mortality rates based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

Changes in Assumptions - STRS

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

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

Investment rate of return:

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

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

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

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

Changes in Benefit Term - STRS Pension

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

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

Net OPEB Liability

Changes in Assumptions - SERS

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

	2022	2021 and Prior
Inflation	2.40 percent	3.00 percent
Future Salary Increases, including inflation		
Wage Increases	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation	7.50 percent net of investment expense, including inflation

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

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

Changes in Assumptions - STRS

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

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

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

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

Changes in Benefit Terms - STRS OPEB

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

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

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

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

For fiscal year 2022, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2022, premium based on June 30, 2021, enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2022, from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

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

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

TRI-RIVERS JOINT VOCATIONAL SCHOOL DISTRICT
MARION COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

FEDERAL GRANTOR ***Pass Through Grantor*** Program / Cluster Title	**Federal AL Number**	**Pass Through Entity Identifying Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF EDUCATION			
Direct Award			
Student Financial Assistance Cluster:			
Federal Pell Grant Program	84.063	2023	$ 16,389
Federal Pell Grant Program	84.063	2024	490,542
Federal Direct Student Loans	84.268	2023	16,495
Federal Direct Student Loans	84.268	2024	509,308
Total Student Financial Assistance Cluster			1,032,734
Passed Through Ohio Department of Education and Workforce			
COVID-19 Education Stabilization Fund	84.425D	2023	173,703
Career and Technical Education-Basic Grants to States - Perkins Secondary	84.048A	2024	292,644
Career and Technical Education-Basic Grants to States - Perkins Adult	84.048A	2023	23,472
Career and Technical Education-Basic Grants to States - Perkins Adult	84.048A	2024	152,183
Total Career and Technical Education			468,299
TOTAL U.S. DEPARTMENT OF EDUCATION			**1,674,736**
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education and Workforce			
Child Nutrition Cluster:			
Non-Cash Assistance:			
National School Lunch Program	10.555	2024	29,759
Cash Assistance:			
School Breakfast Program	10.553	2024	56,404
National School Lunch Program	10.555	2024	137,543
COVID-19 National School Lunch Program	10.555	2024	21,855
Total Child Nutrition Cluster			245,561
TOTAL U.S. DEPARTMENT OF AGRICULTURE			**245,561**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$1,920,297**

The accompanying notes are an integral part of this schedule.

TRI-RIVERS JOINT VOCATIONAL SCHOOL DISTRICT
MARION COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2024

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Tri-Rivers Joint Vocational School District, Marion County, Ohio, (the School District) under programs of the federal government for the year ended June 30, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or the cash flows of the School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

NOTE F – FEDERAL DIRECT LOAN PROGRAM

The School District participates in the Federal Direct Student Loan Program. The School District originates the loans, which are then funded through the U.S. Department of Education.

Federal Subsidized Loans	$	222,051
Federal Unsubsidized Loans		303,752
Total Federal Direct Student Loans	$	525,803

OHIO AUDITOR OF STATE
KEITH FABER

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

Tri-Rivers Joint Vocational School District
Marion County
2222 Marion-Mt. Gilead Road
Marion, Ohio 43302

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tri-Rivers Joint Vocational School District, Marion County, Ohio (the School District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated March 12, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

March 12, 2025

OHIO AUDITOR OF STATE
KEITH FABER

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

Tri-Rivers Joint Vocational School District
Marion County
2222 Marion-Mt. Gilead Road
Marion, Ohio 43302

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Tri-Rivers Joint Vocational School District's, Marion County, (School District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Tri-Rivers Joint Vocational School District's major federal program for the year ended June 30, 2024. Tri-Rivers Joint Vocational School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Tri-Rivers Joint Vocational School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on 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 District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.
Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

March 12, 2025

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TRI-RIVERS JOINT VOCATIONAL SCHOOL DISTRICT
MARION 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 reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Career and Technical Education-Basic Grants to States (AL #84.048A)
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE
KEITH FABER

TRI-RIVERS JOINT VOCATIONAL SCHOOL DISTRICT

MARION COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 3/27/2025

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