

DAYTON BUSINESS TECHNOLOGY
HIGH SCHOOL
MONTGOMERY COUNTY, OHIO

REGULAR AUDIT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025





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Columbus, Ohio 43215
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800-282-0370

Board of Directors
Dayton Business Technology High School
348 W. First Street
Dayton, Ohio 45402

We have reviewed the *Independent Auditor's Report* of the Dayton Business Technology High School, Montgomery County, prepared by Rea & Associates, Inc., for the audit period July 1, 2024 through June 30, 2025. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

April 29, 2026

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**DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL
MONTGOMERY COUNTY**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Dayton Business Technology High School
Montgomery County
348 W. First Street
Dayton, Ohio 45402

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dayton Business Technology High School, Montgomery County, Ohio, (the "School"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Dayton Business Technology High School, Montgomery County, Ohio, as of June 30, 2025, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and pension and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted

of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2026 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Dublin, Ohio
February 11, 2026

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025 - UNAUDITED

The discussion and analysis of Dayton Business Technology High School’s (the School) financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School’s financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School’s financial performance.

The Management’s Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented, and is presented in the MD&A.

Financial Highlights

Key financial highlights for the Dayton Business Technology High School during fiscal year 2025 are as follows:

- Total net position of the School was \$1.5 million at fiscal year-end, a decrease of \$77,826 in comparison with the prior fiscal year-end.
- Total assets decreased \$449,763 and total liabilities decreased \$277,458 from the prior year.
- The School’s operating loss for fiscal year 2025 was \$682,306.

Using this Financial Report

This financial report contains the basic financial statements of the School, as well as the Management’s Discussion and Analysis and notes to the basic financial statements. The basic financial statements include a Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. As the School reports its operations using enterprise fund accounting, all financial transactions and accounts are reported as one activity, therefore the entity wide and the fund presentations information is the same.

Statement of Net Position

The Statement of Net Position answers the question, “How did we do financially during the fiscal year?” This statement includes all assets and deferred outflows of resources and all liabilities and deferred inflows of resources, both financial and capital, and short-term and long-term, using the accrual basis of accounting and the economic resources focus, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all revenues and expenses during the year, regardless of when the cash is received or paid.

This statement reports the School’s net position; however, in evaluating the overall position and financial viability of the School, non-financial information such as the condition of the School’s property and potential changes in the laws governing charter schools in the State of Ohio will also need to be evaluated.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025 - UNAUDITED**

Table 1 provides a summary of the School’s net position for fiscal year 2025 compared to those reported for fiscal year 2024.

Table 1 Statement of Net Position		
	2025	2024
Assets		
Current Assets	\$ 283,244	\$ 798,712
Net OPEB Assets	71,717	71,693
Capital Assets, Net	2,287,098	2,221,417
Total Assets	2,642,059	3,091,822
Deferred Outflows of Resources	475,731	371,873
Liabilities		
Current Liabilities	83,967	365,479
Noncurrent Liabilities	1,184,617	1,180,563
Total Liabilities	1,268,584	1,546,042
Deferred Inflows of Resources	324,617	315,238
Net Position		
Net Investment in Capital Assets	2,247,251	1,925,876
Restricted for OPEB	-	71,693
Unrestricted	(722,662)	(395,154)
Total Net Position	\$ 1,524,589	\$ 1,602,415

Current assets decreased in comparison with the prior fiscal year-end. This decrease is primarily due to a decrease in cash and cash equivalents from operations. In addition grant funding receivables decreased due reduced allocations of federal grant funding. Capital assets increased due current year additions exceeding depreciation expense.

Current liabilities decreased due decreases in accounts payable and contracts payable. Non-Current liabilities were consistent with the prior year.

There was a change in net pension/OPEB liability (asset) for the School. These fluctuations are due to changes in the retirement systems unfunded liabilities/assets that are passed through to the School’s financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows, net OPEB asset and noncurrent liabilities are described in more detail in their respective notes.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025 - UNAUDITED**

The total net position reported for fiscal year 2025 decreased in comparison to prior fiscal year. Table 2 demonstrates the details of this decrease.

Table 2
Change in Net Position

	2025	2024
Operating Revenues		
State Aid	\$ 1,198,171	\$ 1,311,864
Miscellaneous	57,530	20,525
Casino Revenue	-	4,710
Total Operating Revenues	<u>1,255,701</u>	<u>1,337,099</u>
Operating Expenses		
Salaries	957,769	769,827
Fringe Benefits	191,039	102,148
Purchased Services	581,755	522,782
Depreciation/Amortization	76,169	31,123
Supplies	122,051	120,817
Other Expenses	9,224	52,793
Total Operating Expenses	<u>1,938,007</u>	<u>1,599,490</u>
Operating Income (Loss)	(682,306)	(262,391)
Non-Operating Revenues/ (Expenses)		
Federal and State Restricted Grants	608,438	675,038
Interest Expense	(3,958)	(4,801)
Net Non-Operating Revenues/ (Expenses)	<u>604,480</u>	<u>670,237</u>
Change in Net Position	<u>\$ (77,826)</u>	<u>\$ 407,846</u>

The School's operating revenues are primarily based on enrollment. The decrease in the School's operating revenue was impacted by the decreased enrollment which was 72 in 2025 compared to 78 in 2024. Salaries and Fringe Benefits increased based on annual cost of living adjustments and increased number of teachers. Purchased services increased due increased contractual services. Federal and state grants decreased due declining allocations of federal grants from Ohio Department of Education and Workforce.

Capital Assets

At the end of fiscal year 2025, the School had an increase in capital assets as acquisitions exceeded depreciation and amortization. During the fiscal year, the School finalized a project to renovate the third floor of their building. See Note 5 of the basic financial statements for additional details.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2025 - UNAUDITED

Debt

At the end of fiscal year 2025, the School had a decrease in leases payable due to making payments on their lease during fiscal year 2025. See Note 6 of the basic financial statements for additional details.

Current Financial Issues

The School is a community School and is funded through the State of Ohio Foundation Program. The School relies on this, as well as, other State and Federal funds as its primary source of revenue. In 2022, the State replaced the existing funding formula with a new formula that was implemented in January 2022 as a result of changes in Ohio law under the passage of HB110. Under the new formula, community schools are funded directly with no deductions or transfers from the student’s district of residence. The funding calculation for community schools uses several concepts and formulas, some of which also apply to traditional school districts. These primarily include Base Cost, Special Education, Disadvantaged Pupil Impact Aid, English Learners and Career Technical Education. Combined, these elements make up the Core Foundation Funding and the change in calculated amounts compared to the funding received in Fiscal Year 2020 are being phased-in at 16.67% per year until fully implemented. In June 2025, the State Legislature passed the 26-27 biennial budget which included the continued phase-in of the new formula, reaching full implementation in Fiscal Year 2027.

In addition, facility funding remained the same as the last budget cycle and the student equity grant was reduced from \$650 per student to \$500 per student for Fiscal Year 2026. Most all schools had liquidated their remaining ESSER funds during (or prior to) Fiscal Year 2025. Moving forward, all schools will need to continue to be vigilant about growing enrollment and monitoring expenses in order to build sustainable budgets for the future.

Contacting the School’s Financial Management

This financial report is designed to provide our citizen’s, taxpayers, investors and creditors with a general overview of the School’s finances and to demonstrate accountability for the money it receives. If you have questions about this report or need additional information contact C. David Massa, CPA, of Massa Financial Solutions, LLC, 1030 North Main Steet, North Canton, Ohio 44720.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL - MONTGOMERY COUNTY, OHIO

Statement of Net Position

June 30, 2025

Assets:

Current Assets:

Cash and Cash Equivalents	\$ 125,345
Other Assets	23,562
Intergovernmental Receivable	<u>134,337</u>
Total Current Assets	<u>283,244</u>

Noncurrent Assets:

Net OPEB Asset	71,717
Non-Depreciable Capital Assets	437,500
Capital Assets, net of Accumulated Depreciation	<u>1,849,598</u>
Total Non-Current Assets	<u>2,358,815</u>

Total Assets	2,642,059
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Deferred Outflows of Resources:

Pension (STRS & SERS) Outflows	363,039
OPEB (STRS & SERS) Outflows	<u>112,692</u>
Total Deferred Outflows of Resources	<u>475,731</u>

Liabilities:

Current Liabilities:

Accounts Payable, Trade	25,428
Accrued Wages and Benefits	46,139
Current Portion, Long Term Debt	<u>12,400</u>
Total Current Liabilities	<u>83,967</u>

Noncurrent Liabilities:

Noncurrent Portion of Long-term Debt	27,447
Net Pension Liability	1,085,784
Net OPEB Liability	<u>71,386</u>
Total Noncurrent Liabilities	<u>1,184,617</u>

Total Liabilities	1,268,584
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Deferred Inflows of Resources:

Pension (STRS & SERS)	154,710
OPEB (STRS & SERS)	<u>169,907</u>
Total Deferred Inflows of Resources	<u>324,617</u>

Net Position:

Net Investment in Capital Assets	2,247,251
Unrestricted Net Position	<u>(722,662)</u>
Total Net Position	<u>\$ 1,524,589</u>

See Accompanying Notes to the Basic Financial Statements

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL - MONTGOMERY COUNTY, OHIO
Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2025

Operating Revenues:	
State Aid	\$ 1,198,171
Miscellaneous	57,530
Total Operating Revenues	<u>1,255,701</u>
Operating Expenses:	
Salaries	957,769
Fringe Benefits	191,039
Purchased Services	581,755
Depreciation	76,169
Supplies	122,051
Other Operating Expenses	9,224
Total Operating Expenses	<u>1,938,007</u>
Operating Income (Loss)	(682,306)
Non-Operating Revenues and (Expenses):	
Federal and State Restricted Grants	608,438
Interest Expense	(3,958)
Net Non-operating Revenues and (Expenses)	<u>604,480</u>
Change in Net Position	(77,826)
Net Position - Beginning of Year	<u>1,602,415</u>
Net Position - End of Year	<u><u>\$ 1,524,589</u></u>

See Accompanying Notes to the Basic Financial Statements

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL - MONTGOMERY COUNTY, OHIO

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

State Aid Receipts	\$ 1,198,171
Miscellaneous	57,530
Cash Payments to Suppliers for Goods and Services	(854,124)
Cash Payments to Employees for Services	(947,229)
Cash Payments for Employee Benefits	<u>(191,039)</u>
Net Cash Provided By (Used For) Operating Activities	<u>(736,691)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Federal and State Grant Receipts	<u>743,800</u>
Net Cash Provided By Noncapital Financing Activities	<u>743,800</u>

CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES

Purchase of Assets	(392,149)
Note Principal Payments	(10,682)
Note Interest Expense	<u>(4,316)</u>
Net Cash Provided By (Used For) Capital and Related Financing Activities	<u>(407,147)</u>

Net Increase/(Decrease) in Cash and Cash Equivalents	(400,038)
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Cash and Cash Equivalents - Beginning of the Year	<u>525,383</u>
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Cash and Cash Equivalents - Ending of the Year	<u>\$ 125,345</u>
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NON-CASH ACTIVITY:

During fiscal year 2024, the School purchased capital assets on account.	\$245,012
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See Accompanying Notes to the Basic Financial Statements

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL - MONTGOMERY COUNTY, OHIO
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2025
(Continued)

Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities	
Operating Income (Loss)	\$ (682,306)
 Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:	
Depreciation	76,169
 Changes in Assets, Liabilities, and Deferred Inflows and Outflows:	
Increase/ (Decrease) in Deferred Inflows Pension	(11,274)
Increase/ (Decrease) in Deferred Inflows OPEB	20,653
Increase/ (Decrease) in Net Pension Liability	24,113
Increase/ (Decrease) in Net OPEB Liability	(8,019)
(Increase)/ Decrease in Other Assets	(14,645)
(Increase)/ Decrease in Net OPEB Asset	(24)
(Increase)/ Decrease in Deferred Outflows Pension	(59,785)
(Increase)/ Decrease in Deferred Outflows OPEB	(44,073)
Increase/(Decrease) in Accounts Payable, Trade	(46,978)
Increase/(Decrease) in Intergovernmental Payable	(1,062)
Increase/(Decrease) in Accrued Wages and Benefits	10,540
Net Cash Provided By (Used For) Operating Activities	<u>\$ (736,691)</u>

See Accompanying Notes to the Basic Financial Statements

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1 – DESCRIPTION OF THE SCHOOL AND REPORTING ENTITY

The Dayton Business Technology High School (the School), is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702 to maintain and provide a school exclusively for any educational, literary, scientific, and related teaching service. The School, which is part of the State's education program, is independent of any school district and is nonsectarian in its programs, admission policies, employment practices, and all other operations. The School may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the School.

The School is considered a conversion community school under Ohio law. Conversion schools are created by converting all or part of an existing public school into a community school.

The School is designed for at-risk, high school students who have a desire for, and whose education can be optimized by, a program of online instruction environment that does not include ancillary components of more traditional education. Because the focus is on virtual learning, the ability of students to learn independently using various computer educational programs is an essential element of the School's program.

Ohio Department of Education and Workforce was the School's sponsor. The Sponsor agreement expires June 30, 2028. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration. See Note 13 for more information.

The School operates under the direction of a five-member Board of Directors (the Board). The Sponsor contract requires that the majority of the members of the Board be elected or appointed public officials or public sector employees who have a professional interest in furthering the establishment and operation of the School. The Sponsor contract also permits additional Board positions to be filled by parents or community civic leaders.

The School participates in the Metropolitan Educational Technology Association (META). META is composed of over 200 members which includes school districts, joint vocational schools, educational service centers, and libraries covering 37 counties in Central Ohio. The META helps its members purchase services, insurances, supplies, and other items at a discounted rate. The governing board of META is composed of either the superintendent, a designated representative or a member of the board of education for each participating school district in Franklin County and one representative from each county outside of Franklin County. Each year, the participating school districts pay a membership fee to META to cover the costs of administering the program. Financial information may be obtained from the Metropolitan Educational Technology Association, 2100 Citygate Dr., Columbus, OH 43219.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

Enterprise accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources are included on the Statement of Net Position. The difference between total assets and deferred outflows of resources and liabilities and deferred inflows of resources is defined as net position. The Statement of Revenues, Expenses and Changes in Net Position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The accrual basis of accounting is utilized for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Budgetary Process

Community schools are statutorily required to adopt a budget by Ohio Revised Code 3314.032(C). However, unlike traditional public schools located in the State of Ohio, community schools are not required to follow the specific budgetary process and limits set forth in the Ohio Revised Code Chapter 5705, unless specifically provided in the contract between the School and its Sponsor. The contract between the School and its Sponsor does not require the School to follow the provisions of Ohio Revised Code Chapter 5705; therefore, no budgetary information is presented in the basic financial statements.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Cash and Cash Equivalents

All monies received by the School are maintained in demand deposit accounts.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond fiscal year-end 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 expense is reported in the year which services are consumed.

Capital Assets

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The School maintains a capitalization threshold of \$1,000 for assets acquired prior to July 2016 and \$5,000 for subsequent purchased assets. Improvements are capitalized. The cost 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.

Improvements to capital assets are depreciated over the remaining useful life of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimate Life</u>
Land Improvements	10 years
Building and Improvements	20-50 years
Furniture and Fixtures	5-30 years

The School is reporting intangible right to use assets related to leased equipment. This intangible asset is being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School, deferred outflows of resources are reported on the statement of net position for pensions and other postemployment benefits (OPEB). These deferred outflows of resources related to pensions and OPEB are explained in Note 8 and Note 9.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. This deferred inflow of resources related to pension and OPEB are explained in Note 8 and Note 9.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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 these estimates.

Intergovernmental Revenues

The School is a participant in the State Foundation Program. In addition, the State distributes among all public schools, a percentage of proceeds received from the tax on gross casino revenue, to be used to support primary and secondary education. Foundation funding and casino revenue are recognized as operating revenues in the accounting period in which they are earned, essentially the same as the fiscal year received. Federal and state grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements of the grants have been met.

Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly by the School's primary mission. For the School, operating revenues primarily include revenues paid through the State Foundation Program. Operating expenses are necessary costs incurred to support the School's primary mission, including salaries, benefits, purchased services, materials and supplies, depreciation and other.

Non-operating revenues and expenses are those that are not generated directly by the School's primary mission. Various Federal and State grants and other revenues comprise the non-operating revenues and expenses of the School.

Federal Tax Exemption Status

The School is a non-profit organization that has been determined by the Internal Revenue Service to be exempt from federal income taxes as a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code.

Pensions and Other Postemployment Benefits (OPEB)

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

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Net Position

Net position represents the difference between total assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, less outstanding debt related to capital assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Implementation of New Accounting Principles

For the fiscal year ended June 30, 2025, the School has implemented GASB Statement No. 101, Compensated Absences and GASB Statement No. 102, Certain Risk Disclosures.

GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences to promote consistency and better meet the information needs of financial statement users. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. The implementation of GASB Statement No. 101 did not have an effect on the financial statements of School.

GASB Statement No. 102 provides users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints as concentrations and constraints may limit a government's ability to acquire resources or control spending. The implementation of GASB Statement No. 102 did not have an effect on the financial statements of the School.

NOTE 3 - DEPOSITS AND INVESTMENTS

Custodial credit risk for deposits is the risk that, in the event of bank failure, the School will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2025, all of the School's bank balance was covered by Federal Deposit Insurance Corporation (FDIC) .

NOTE 4 - RECEIVABLES

Receivables at June 30, 2025, consisted of intergovernmental amounts. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds. All receivable amounts are expected to be received within one year.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
<i>Capital Assets Not Being Depreciated/Amortized:</i>				
Land	\$ 437,500	\$ -	\$ -	\$ 437,500
Construction In Progress	352,636	75,023	(427,659)	-
<i>Total Nondepreciable Capital Assets</i>	<u>790,136</u>	<u>75,023</u>	<u>(427,659)</u>	<u>437,500</u>
<i>Capital Assets Being Depreciated/Amortized:</i>				
Land Improvements	28,007	-	(28,007)	-
Building and Improvements	1,783,389	427,659	-	2,211,048
Furniture and Equipment	114,840	72,114	-	186,954
Leased Asset - Building (intangible)	63,510	-	-	63,510
<i>Total Capital Assets Being Depreciated/Amortized:</i>	<u>1,989,746</u>	<u>499,773</u>	<u>(28,007)</u>	<u>2,461,512</u>
<i>Less Accumulated Depreciation/Amortization:</i>				
Land Improvements	(22,719)	-	22,719	-
Building and Improvements	(457,973)	(52,146)	-	(510,119)
Furniture and Equipment	(62,651)	(11,926)	-	(74,577)
Leased Asset - Building (intangible)	(15,121)	(12,097)	-	(27,218)
<i>Total Accumulated Depreciation/Amortization:</i>	<u>(558,464)</u>	<u>(76,169)</u>	<u>22,719</u>	<u>(611,914)</u>
<i>Total Capital Assets Being Depreciated/Amortized, Net</i>	<u>1,431,282</u>	<u>423,604</u>	<u>(5,288)</u>	<u>1,849,598</u>
<i>Capital Assets, Net</i>	<u>\$ 2,221,418</u>	<u>\$ 498,627</u>	<u>\$ (432,947)</u>	<u>\$ 2,287,098</u>

NOTE 6 - LONG-TERM OBLIGATIONS

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

	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025	Amount Due One Year
Lease Payable	\$ 50,529	\$ -	\$ (10,682)	\$ 39,847	\$ 12,400

Lease Payable

The School has an outstanding agreement to lease copiers. Due to the implementation of GASB Statement 87, this lease has met the criteria of leases thus requiring it to be recorded by the School. The future lease payments were discounted based on the School's incremental borrowing rate. This discount is being amortized over the life of the lease.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The future lease payments required are as follows:

Lease Payments		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 12,400	\$ 2,959
2027	13,130	1,870
2028	14,317	683
	<u>\$ 39,847</u>	<u>\$ 5,512</u>

NOTE 7 - RISK MANAGEMENT**Property and Liability Insurance**

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The School contracted for general liability insurance, rental insurance, employee benefit insurance, and auto insurance during the fiscal year. Settlement amounts did not exceed coverage amounts in the three prior years. There also have been no significant reductions in coverage compared to prior year.

Workers' Compensation

The School pays the State Worker's Compensation System a premium for employee injury coverage. The premium is calculated by multiplying the monthly total gross payroll by a factor that is determined by the State.

NOTE 8 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/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.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension/OPEB liability*. Any liability for the contractually required pension contribution outstanding at the end of the year is included in *accrued expenses*.

The remainder of this note includes the required pension disclosures. See Note 9 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

Plan Description – The School 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.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Age and service requirements for retirement are as follows:

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

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

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost-of-living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 2.5 percent COLA for calendar year 2024.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2025, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2025, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School's contractually required contribution to SERS was \$29,813 for fiscal year 2025.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The School 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

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

www.strsoh.org.

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of credited service. Effective August 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 - July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any age; or five years of service credit and age 65. Effective on or after August 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.

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, an 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 permanent 1 percent COLA 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.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits effective August 1, 2023, can retire with 29 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after August 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

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.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2025 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2025, the full employer contribution was allocated to pension.

The School's contractually required contribution to STRS was \$97,845 for fiscal year 2025.

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

The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability:			
Current Measurement Date	0.00700360%	0.00378092%	
Prior Measurement Date	<u>0.00484720%</u>	<u>0.00368629%</u>	
Change in Proportionate Share	<u>0.00215640%</u>	<u>0.00009463%</u>	
Proportionate Share of the Net			
Pension Liability	\$358,274	\$727,510	\$1,085,784
Pension Expense	\$79,820	\$892	\$80,712

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight-line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five-year period.

At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 13,678	\$ 45,814	\$ 59,492
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Changes of Assumptions	3,205	33,526	36,731
Changes in Proportion and Differences between School Contributions and Proportionate Share of Contributions	105,291	33,867	139,158
School Contributions Subsequent to the Measurement Date	<u>29,813</u>	<u>97,845</u>	<u>127,658</u>
Total Deferred Outflows of Resources	<u>\$ 151,987</u>	<u>\$ 211,052</u>	<u>\$ 363,039</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ -	\$ 397	\$ 397
Net Difference between Projected and Actual Earnings on Pension Plan Investments	22,407	62,550	84,957
Changes of Assumptions	-	25,236	25,236
Changes in Proportion and Differences between School Contributions and Proportionate Share of Contributions	-	44,120	44,120
Total Deferred Inflows of Resources	<u>\$ 22,407</u>	<u>\$ 132,303</u>	<u>\$ 154,710</u>

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

\$127,658 reported as deferred outflows of resources related to pension resulting from the School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026. 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:			
2026	\$ 24,418	\$ (58,373)	\$ (33,955)
2027	60,437	67,934	128,371
2028	21,501	(17,304)	4,197
2029	(6,589)	(11,353)	(17,942)
Total	<u>\$ 99,767</u>	<u>\$ (19,096)</u>	<u>\$ 80,671</u>

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.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2024, are presented below:

Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
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

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

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. ORC 3309.15 and the SERS Board-adopted Investment Policy govern investment activity. 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 a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	<u>100.00 %</u>	

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Discount Rate The total pension liability for 2024 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 20-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate for fiscal year 2024 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 2024 was 9.31 percent.

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
School's Proportionate Share of the Net Pension Liability	\$ 548,113	\$ 358,274	\$ 198,444

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2024, 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)	0.00 percent, effective July 1, 2017

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

Actuarial assumptions used in the June 30, 2024, 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.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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%	6.90%
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	100.00%	

**Final target weights reflected at October 1, 2022.*

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

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2024. 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, 2024. 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, 2024.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School's proportionate share of the net pension liability	\$ 1,173,601	\$ 727,510	\$ 350,194

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 9 - DEFINED BENEFIT OPEB PLANS

See Note 8 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description – The School contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides 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 2025, 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 2025, 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

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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 2025, the School's surcharge obligation was \$3,778.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School's contractually required contribution to SERS were equal to the surcharge amount for fiscal year 2025.

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.

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage.

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, 2025, STRS did not allocate any employer contributions to post-employment health care.

Net OPEB Liability (Asset)

The net OPEB liability (asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School's proportion of the net OPEB liability (asset) was based on the School's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.0070090%	0.00378092%	
Prior Measurement Date	0.0048199%	0.00368629%	
Change in Proportionate Share	0.0021891%	0.00009463%	
Proportionate Share of the Net			
OPEB Liability (Asset)	\$ 71,386	\$ (71,717)	
OPEB Expense	\$ (9,427)	\$ (18,258)	\$ (27,685)

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in OPEB expense beginning in the current period, using a straight-line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five-year period.

At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ -	\$ 3,119	\$ 3,119
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	349	-	349
Changes of Assumptions	30,638	8,831	39,469
Changes in Proportion and Differences between School Contributions and Proportionate Share of Contributions	65,884	93	65,977
School Contributions Subsequent to the Measurement Date	3,778	-	3,778
Total Deferred Outflows of Resources	<u>\$ 100,649</u>	<u>\$ 12,043</u>	<u>\$ 112,692</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 76,972	\$ 7,729	\$ 84,701
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	3,079	3,079
Changes of Assumptions	32,793	32,345	65,138
Changes in Proportion and Differences between School Contributions and Proportionate Share of Contributions	14,493	2,496	16,989
Total Deferred Inflows of Resources	<u>\$ 124,258</u>	<u>\$ 45,649</u>	<u>\$ 169,907</u>

\$3,778 reported as deferred outflows of resources related to OPEB resulting from the School contributions subsequent to the measurement date will be recognized as a reduction/addition to the net OPEB liability/asset in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2026	\$ (19,930)	\$ (12,487)	\$ (32,417)
2027	(11,398)	(5,156)	(16,554)
2028	(4,310)	(6,367)	(10,677)
2029	(817)	(5,865)	(6,682)
2030	(712)	(4,765)	(5,477)
Thereafter	9,780	1,034	10,814
Total	<u>\$ (27,387)</u>	<u>\$ (33,606)</u>	<u>\$ (60,993)</u>

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, 2024, are presented below:

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	June 30, 2024
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	2059
Municipal Bond Index Rate	
Measurement Date	3.93 percent
Prior Measurement Date	3.86 percent
Single Equivalent Interest Rate	
Measurement Date	4.88 percent
Prior Measurement Date	4.27 percent
Health Care Cost Trend Rate	
Medical Trend Assumption	
Measurement Date	7.00 to 4.40 percent
Prior Measurement Date	6.75 to 4.40 percent

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

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	<u>100.00 %</u>	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2024, was 4.88 percent. The discount rate used to measure total OPEB liability prior to June 30, 2024, was 4.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2059 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, 2023, and the June 30, 2024, 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 3.93 percent at June 30, 2024, and 3.86 percent at June 30, 2023.

Sensitivity of School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.88%) and higher (5.88%) than the current discount rate (4.88%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	1% Decrease (3.88%)	Current Discount Rate (4.88%)	1% Increase (5.88%)
School's proportionate share of the net OPEB liability	\$95,191	\$71,386	\$52,470

	1% Decrease (6.00% decreasing to 3.40%)	Current Trend Rate (7.00% decreasing to 4.40%)	1% Increase (8.00% decreasing to 5.40%)
School's proportionate share of the net OPEB liability	\$48,254	\$71,386	\$101,791

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2024, actuarial valuation compared to the prior year are presented below:

	June 30, 2024	June 30, 2023
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 3.94 percent ultimate	7.50 percent initial 4.14 percent ultimate
Medicare	-112.22 percent initial 3.94 percent ultimate	-10.94 percent initial 4.14 percent ultimate
Prescription Drug		
Pre-Medicare	8.00 percent initial 3.94 percent ultimate	-11.95 percent initial 4.14 percent ultimate
Medicare	-15.14 percent initial 3.94 percent ultimate	1.33 percent initial 4.14 percent ultimate

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

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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, 2024, 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%	6.90%
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	100.00%	

**Final target weights reflected at October 1, 2022.*

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

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2024. 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, 2024. 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, 2024.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Sensitivity of the school's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2024, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School's proportionate share of the net OPEB asset	(\$58,314)	(\$71,717)	(\$83,383)

	1% Decrease	Current Trend Rate	1% Increase
School's proportionate share of the net OPEB asset	(\$84,171)	(\$71,717)	(\$56,739)

NOTE 10 - CONTINGENCIES

Grants

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, in the opinion of the School, any such disallowable claims will not have a material adverse effect on the financial position of the School.

Litigation

The School is not a party to legal proceedings that, in the opinion of management, would have a material adverse effect on the financial statements.

NOTE 11 - OTHER EMPLOYEE BENEFITS

Employee Medical, Dental, Vision, and Life Benefits

The School has purchased insurance from Anthem Blue Cross Blue Shield to provide employee medical, dental, and vision benefits. Life insurance is provided through Hartford.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 12 - PURCHASED SERVICES

During the fiscal year, purchased service expenses for services rendered by various vendors were as follows:

Professional and Technical Services	\$	459,022
Property Services		42,269
Communications		22,326
Utilities Services		39,447
Other		18,691
	\$	<u>581,755</u>

NOTE 13 - SPONSOR

The School was sponsored by the Ohio Department of Education and Workforce (DEW). The School pays DEW through Foundation deductions. The sponsor provides oversight, monitoring, treasury and technical assistance for the School on the School's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

Dayton Business Technology High School
Montgomery County, Ohio
Required Supplementary Information
Schedule of the School's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

Year	School's Proportion of the Net Pension Liability	School's Proportionate Share of the Net Pension Liability	School's Covered Payroll	School's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<i>School Employees Retirement System (SERS)</i>					
2025	0.0070036%	\$ 358,274	\$ 297,429	120.46%	78.52%
2024	0.0048472%	267,831	191,407	139.93%	76.06%
2023	0.0040151%	217,168	157,414	137.96%	75.82%
2022	0.0037401%	137,999	129,100	106.89%	82.86%
2021	0.0045513%	301,033	153,421	196.21%	68.55%
2020	0.0054010%	323,151	184,867	174.80%	70.85%
2019	0.0055496%	317,834	178,600	177.96%	71.36%
2018	0.0053219%	317,972	175,393	181.29%	69.50%
2017	0.0059716%	437,067	181,571	240.71%	62.98%
2016	0.0077566%	442,599	236,364	187.25%	69.16%
<i>State Teachers Retirement System (STRS)</i>					
2025	0.0037809%	\$ 727,510	\$ 524,771	138.63%	82.55%
2024	0.0036863%	793,840	497,900	159.44%	80.02%
2023	0.0037088%	824,463	475,264	173.47%	78.90%
2022	0.0032563%	416,343	392,879	105.97%	87.80%
2021	0.0041503%	1,004,225	507,221	197.99%	75.50%
2020	0.0047312%	1,046,276	552,700	189.30%	77.30%
2019	0.0053876%	1,184,601	610,171	194.14%	77.30%
2018	0.0052040%	1,236,220	580,679	212.89%	75.30%
2017	0.0054202%	1,814,300	616,329	294.37%	66.80%
2016	0.0054885%	1,516,850	574,264	264.14%	72.10%

The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

Dayton Business Technology High School
Montgomery County, Ohio
Required Supplementary Information
Schedule of the School's Proportionate Share of the Net OPEB Liability (Asset)
Last Nine Fiscal Years (1)

Year	School's Proportion of the Net OPEB Liability (Asset)	School's Proportionate Share of the Net OPEB Liability (Asset)	School's Covered Payroll	School's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
<i>School Employees Retirement System (SERS)</i>					
2025	0.0070090%	\$ 71,386	\$ 297,429	24.00%	44.50%
2024	0.0048199%	79,405	191,407	41.48%	30.02%
2023	0.0038839%	54,530	157,414	34.64%	30.34%
2022	0.0034840%	65,941	129,100	51.08%	24.08%
2021	0.0041580%	90,369	153,421	58.90%	18.17%
2020	0.0048970%	123,154	184,867	66.62%	15.57%
2019	0.0050195%	139,254	178,600	77.97%	13.57%
2018	0.0048312%	129,657	175,393	73.92%	12.46%
2017	0.0058925%	167,958	181,571	92.50%	11.49%
<i>State Teachers Retirement System (STRS)</i>					
2025	0.0037809%	\$ (71,717)	\$ 524,771	-13.67%	158.01%
2024	0.0036863%	(71,693)	497,900	-14.40%	168.52%
2023	0.0037088%	(96,032)	475,264	-20.21%	230.73%
2022	0.0032560%	(68,650)	392,879	-17.47%	174.73%
2021	0.0041500%	(72,936)	507,221	-14.38%	182.10%
2020	0.0047310%	(78,357)	552,700	-14.18%	174.70%
2019	0.0053876%	(86,572)	610,171	-14.19%	176.00%
2018	0.0052040%	203,041	580,679	34.97%	47.10%
2017	0.0054202%	289,873	616,329	47.03%	37.30%

The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

See accompanying notes to the required supplementary information.

Dayton Business Technology High School
Montgomery County, Ohio
Required Supplementary Information
Schedule of School Contributions
Last Ten Fiscal Years

Year	Contractually Required Contribution - Pension (1)	Contractually Required Contribution - OPEB (1)(2)	School's Covered Payroll	Pension Contributions as a Percentage of Covered Payroll	OPEB Contributions as a Percentage of Covered Payroll (2)
<i>School Employees Retirement System (SERS)</i>					
2025	\$ 29,813	\$ 3,778	\$ 212,950	14.00%	1.77%
2024	41,640	4,304	297,429	14.00%	1.45%
2023	26,797	2,618	191,407	14.00%	1.37%
2022	22,038	1,403	157,414	14.00%	0.89%
2021	18,074	519	129,100	14.00%	0.40%
2020	21,479	-	153,421	14.00%	0.00%
2019	24,957	924	184,867	13.50%	0.50%
2018	24,111	893	178,600	13.50%	0.50%
2017	24,555	-	175,393	14.00%	0.00%
2016	25,420	2,299	181,571	14.00%	1.27%
<i>State Teachers Retirement System (STRS)</i>					
2025	\$ 97,845	\$ -	\$ 698,893	14.00%	0.00%
2024	73,468	-	524,771	14.00%	0.00%
2023	69,706	-	497,900	14.00%	0.00%
2022	66,537	-	475,264	14.00%	0.00%
2021	55,003	-	392,879	14.00%	0.00%
2020	71,011	-	507,221	14.00%	0.00%
2019	77,378	-	552,700	14.00%	0.00%
2018	85,424	-	610,171	14.00%	0.00%
2017	81,295	-	580,679	14.00%	0.00%
2016	86,286	-	616,329	14.00%	0.00%

(1) The contributions in relation to the contractually required contributions are equal to the contractually required contributions, resulting in zero contribution deficiency/excess.

(2) SERS contributions include surcharge

See accompanying notes to the required supplementary information.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2025

There were no changes in assumptions or benefit terms for the fiscal years reported unless otherwise stated below:

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions - SERS

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 as follows:

	<u>Fiscal Years 2025-2022</u>	<u>Fiscal Years 2021-2017</u>	<u>Fiscal Years 2016 and Prior</u>
Wage Inflation	2.40%	3.00%	3.25%
Future Salary Increases, including inflation	3.25% to 13.58%	3.50% to 18.20%	4.00% to 22.00%
Investment Rate of Return	7.00% net of system expenses	7.50% net of investment expenses, including inflation	7.75% net of investment expenses, including inflation

Beginning in 2022, amounts reported use mortality rates 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. Future improvement in mortality rates is reflected by applying the MP2020 projection scale generationally.

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.

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 Benefit Terms - SERS

For fiscal year 2022, COLA was increased from 2.00 percent to 2.50 percent.

For fiscal year 2021, COLA was reduced from 2.50 percent to 2.00 percent.

For fiscal year 2018, the cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.50 percent with a floor of zero percent beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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 as follows:

	<u>Fiscal Years 2025-2022</u>	<u>Fiscal Years 2021-2018</u>	<u>Fiscal Years 2017 and Prior</u>
Inflation	2.50%	2.50%	2.75%
	Varies by service from	From 12.50% at age 20 to	From 12.25% at age 20 to
Projected Salary Increases	2.50% 8.50%	2.50% at age 65	2.75% at age 70
Investment Rate of Return, net of investment	7.00%	7.45%	7.75%
Payroll Increases	3.00%	3.00%	3.50%

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 Disabled 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 RP2014 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 setback 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 Terms - STRS

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.

For fiscal year 2018, the COLA was reduced to zero.

Fiscal year 2017 and prior, COLA was 2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013 or later, 2 percent COLA commences on fifth anniversary of retirement date.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions – SERS

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:

	<u>Fiscal Years 2025-2022</u>	<u>Fiscal Years 2021-2017</u>
Inflation	2.40%	3.00%
Future Salary Increases, including inflation	3.25% to 13.58%	3.50% to 18.20%
Investment Rate of Return, net of investment expenses, including inflation	7.00%	7.50%

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

	<u>Fiscal Year</u>									
<u>Assumption</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	
Municipal Bond Index Rate	3.93%	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%	2.92%	
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	4.88%	4.27%	4.08%	2.27%	2.63%	3.22%	3.70%	3.63%	2.98%	

Changes in Assumptions – STRS

For fiscal year 2023, the projected salary increases were changed from age based (2.5 percent to 12.50 percent) to service based (2.5 percent to 8.5 percent).

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 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 2018, the blended discount rate was increased from 3.26 percent to 4.13 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.

DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL – MONTGOMERY COUNTY, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Changes in Benefit Terms – STRS

For fiscal year 2025, 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.

For fiscal year 2023, health care trends were updated to reflect emerging claims and recoveries experience

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

For fiscal year 2021, there were no changes to the claims costs process. Claim curves were updated to reflect the projected fiscal year 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 .1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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 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 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 2019. This was subsequently extended, see above paragraph.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Board of Directors
Dayton Business Technology High School
Montgomery County
348 W. First Street
Dayton, Ohio 45402

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 Dayton Business Technology High School, Montgomery County, Ohio (the "School") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated February 11, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Rea & Associates, Inc.
Dublin, Ohio
February 11, 2026



**DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL
MONTGOMERY COUNTY, OHIO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2025**

Finding Number	Finding Summary	Status	Additional Information
2024-001	Material Weakness – Internal Controls Over Financial Reporting	Corrective action taken, finding is partially corrected.	Financial reporting items deemed immaterial in the current period and included as a management letter comment.

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OHIO AUDITOR OF STATE KEITH FABER



DAYTON BUSINESS TECHNOLOGY HIGH SCHOOL

MONTGOMERY COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 5/12/2026

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

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