

# **MAHONING VALLEY COMMUNITY SCHOOL**

**(formerly MAHONING COUNTY HIGH SCHOOL)**

**MAHONING COUNTY, OHIO**

**SINGLE AUDIT**

**FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2025**





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Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

Board of Directors  
Mahoning Valley Community School  
2026 South Avenue  
Youngstown, Ohio 44502

We have reviewed the *Independent Auditor's Report* of the Mahoning Valley Community School, Mahoning County, prepared by Julian & Grube, 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 Mahoning Valley Community 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 09, 2026**

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**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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## **Independent Auditor's Report**

Mahoning Valley Community School  
Mahoning County  
2026 South Avenue  
Youngstown, Ohio 44502

To the Members of the Board of Directors:

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Mahoning Valley Community School, Mahoning County, Ohio, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Mahoning Valley Community School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mahoning Valley Community School, as of June 30, 2025, and the changes in financial position, and cash flows thereof for the fiscal year then ended in accordance with 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of Mahoning Valley Community 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 Mahoning Valley Community 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Mahoning Valley Community 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 Mahoning Valley Community School's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise Mahoning Valley Community School's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2025, on our consideration of Mahoning Valley Community 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 Mahoning Valley Community 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 Mahoning Valley Community School's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
December 26, 2025

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The management's discussion and analysis of Mahoning Valley Community School's (the "School") financial performance provides an overall review of the School's 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.

**Financial Highlights**

Key financial highlights for fiscal year 2025 are as follows:

- In total, net position was \$1,984,826 which represents a 8.49% increase from 2024's net position.
- The School had operating revenues of \$2,618,536 and operating expenses of \$3,922,824 for fiscal year 2025. The School also received \$1,459,622 in non-operating revenues during fiscal year 2025.

**Using these Basic Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School's financial activities. The *statement of net position* and *statement of revenues, expenses and changes in net position* provide information about the activities of the School, including all short-term and long-term financial resources and obligations.

**Reporting the School's Financial Activities**

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

These documents look at all financial transactions and ask the question, "How did we do financially during 2025?" The statement of net position and statement of revenues, expenses and changes in net position answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the School as a whole, the *financial position* of the School has improved or diminished. The causes of this change may be the result of many factors, some financial, some not.

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

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The table on the following page provides a summary of the School's net position for fiscal years 2025 and 2024.

**Net Position**

|                                              | <u>2025</u>         | <u>2024</u>         |
|----------------------------------------------|---------------------|---------------------|
| <b><u>Assets</u></b>                         |                     |                     |
| Current assets                               | \$ 1,247,720        | \$ 1,118,720        |
| Net OPEB asset                               | 22,607              | 15,000              |
| Capital assets, net                          | <u>2,702,076</u>    | <u>2,154,721</u>    |
| Total assets                                 | <u>3,972,403</u>    | <u>3,288,441</u>    |
| <b><u>Deferred outflows of resources</u></b> | <u>511,301</u>      | <u>466,574</u>      |
| <b><u>Liabilities</u></b>                    |                     |                     |
| Current liabilities                          | 1,047,991           | 496,643             |
| Long-term liabilities:                       |                     |                     |
| Net pension liability                        | 915,845             | 827,015             |
| Net OPEB liability                           | <u>136,301</u>      | <u>198,771</u>      |
| Total liabilities                            | <u>2,100,137</u>    | <u>1,522,429</u>    |
| <b><u>Deferred inflows of resources</u></b>  | <u>398,741</u>      | <u>403,094</u>      |
| <b><u>Net position</u></b>                   |                     |                     |
| Net investment in capital assets             | 2,702,076           | 2,105,312           |
| Restricted                                   | 60,372              | 147,346             |
| Unrestricted (deficit)                       | <u>(777,622)</u>    | <u>(423,166)</u>    |
| Total net position                           | <u>\$ 1,984,826</u> | <u>\$ 1,829,492</u> |

The net pension liability (NPL) is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2025, the School adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the School's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the School's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2025, the School's net position was \$1,984,826.

Current assets at June 30, 2025 consist of cash and cash equivalents, intergovernmental grants receivable and prepayments. At year-end, capital assets represented \$2,702,076 and \$2,154,721 of total assets for fiscal years 2025 and 2024, respectively. Capital assets consisted of land, buildings and improvements and furniture and equipment. Capital assets are used to provide services to the students and are not available for future spending.

Current liabilities for the School consist of accounts, accrued wages and benefits, intergovernmental payables and unearned revenue.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The most significant change between fiscal years 2025 and 2024 is increase in capital assets. The School purchased an adjacent property in fiscal year 2025 and several nearby buildings were donated to the School.

A portion of the School's net position, \$60,372, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$777,622.

The table below shows the changes in net position for fiscal years 2025 and 2024.

|                                       | <u>2025</u>                | <u>2024</u>                |
|---------------------------------------|----------------------------|----------------------------|
| <b><u>Operating revenues:</u></b>     |                            |                            |
| State Foundation                      | \$ 1,691,709               | \$ 1,336,776               |
| Charges for services                  | 857,852                    | 893,422                    |
| Other operating revenues              | <u>68,975</u>              | <u>-</u>                   |
| Total operating revenue               | <u>2,618,536</u>           | <u>2,230,198</u>           |
| <b><u>Operating expenses:</u></b>     |                            |                            |
| Personal services                     | 710,934                    | 757,791                    |
| Purchased services                    | 2,869,800                  | 2,402,957                  |
| Materials and supplies                | 172,120                    | 109,760                    |
| Other                                 | 65,998                     | 61,304                     |
| Depreciation                          | <u>103,972</u>             | <u>48,454</u>              |
| Total operating expenses              | <u>3,922,824</u>           | <u>3,380,266</u>           |
| <b><u>Non-operating revenues:</u></b> |                            |                            |
| Federal, state and local grants       | 1,072,127                  | 2,077,680                  |
| Contributions and donations           | 330,920                    | 106,000                    |
| Interest income                       | <u>56,575</u>              | <u>58,799</u>              |
| Total non-operating revenues          | <u>1,459,622</u>           | <u>2,242,479</u>           |
| Change in net position                | 155,334                    | 1,092,411                  |
| Net position at beginning of year     | <u>1,829,492</u>           | <u>737,081</u>             |
| Net position at end of year           | <u><u>\$ 1,984,826</u></u> | <u><u>\$ 1,829,492</u></u> |

As the preceding table illustrates, the School's primary source of revenue is State Foundation revenue, which is allocated to schools throughout the State based on Full Time Equivalent (FTE) students reported by the schools. Foundation revenue accounted for 64.61% of total operating revenues for fiscal year 2025. The other significant revenue source in 2025 was charges for services. This amount represents revenue received from other school districts for providing services to their students who attend the School. The School also receives State and Federal grants that consist primarily of Federal grants for the Title I, Title II-A, Title VI-B and TANF programs. These amounts are reported as non-operating revenues.

***Capital Assets***

At June 30, 2025, the School had \$2,702,076 invested in land, buildings and improvements, and furniture and equipment, net of accumulated depreciation. See Note 6 to the basic financial statements for more detail on capital assets.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Current Financial Related Activities**

The School relies on the State Foundation Funds as well as State and Federal Sub-Grants to provide the monies necessary to operate the school. The School has committed itself to providing educational opportunities to students. Management will aggressively pursue adequate funding to secure the financial stability of the School.

**Contacting the School's Financial Management**

This financial report is designed to provide our clients and creditors with a general overview of the School's finances and to show the School's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Cindy Lengyel, Treasurer, Mahoning Valley Community School, 2026 South Avenue, Youngstown, OH 44502.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2025

**Assets:**

Current assets:

|                           |              |
|---------------------------|--------------|
| Cash and cash equivalents | \$ 1,185,485 |
| Receivables:              |              |
| Accounts                  | 6,333        |
| Accrued interest          | 14           |
| Intergovernmental         | 53,644       |
| Prepayments               | 2,244        |

|                      |           |
|----------------------|-----------|
| Total current assets | 1,247,720 |
|----------------------|-----------|

Non-current assets:

|                                 |           |
|---------------------------------|-----------|
| Net OPEB asset                  | 22,607    |
| Capital assets:                 |           |
| Land                            | 42,183    |
| Depreciable capital assets, net | 2,659,893 |

|                           |           |
|---------------------------|-----------|
| Total capital assets, net | 2,702,076 |
|---------------------------|-----------|

|                          |           |
|--------------------------|-----------|
| Total non-current assets | 2,724,683 |
|--------------------------|-----------|

|              |           |
|--------------|-----------|
| Total assets | 3,972,403 |
|--------------|-----------|

**Deferred outflows of resources:**

|         |         |
|---------|---------|
| Pension | 308,165 |
| OPEB    | 203,136 |

|                                      |         |
|--------------------------------------|---------|
| Total deferred outflows of resources | 511,301 |
|--------------------------------------|---------|

**Liabilities:**

Current liabilities:

|                            |         |
|----------------------------|---------|
| Accounts payable           | 27,564  |
| Accrued wages and benefits | 11,639  |
| Intergovernmental payable  | 205,457 |
| Unearned revenue           | 803,331 |

|                           |           |
|---------------------------|-----------|
| Total current liabilities | 1,047,991 |
|---------------------------|-----------|

Non-current liabilities:

|                       |         |
|-----------------------|---------|
| Net pension liability | 915,845 |
| Net OPEB liability    | 136,301 |

|                               |           |
|-------------------------------|-----------|
| Total non-current liabilities | 1,052,146 |
|-------------------------------|-----------|

|                   |           |
|-------------------|-----------|
| Total liabilities | 2,100,137 |
|-------------------|-----------|

**Deferred inflows of resources:**

|         |         |
|---------|---------|
| Pension | 94,149  |
| OPEB    | 304,592 |

|                                     |         |
|-------------------------------------|---------|
| Total deferred inflows of resources | 398,741 |
|-------------------------------------|---------|

**Net position:**

|                              |           |
|------------------------------|-----------|
| Investment in capital assets | 2,702,076 |
|------------------------------|-----------|

Restricted for:

|                         |        |
|-------------------------|--------|
| OPEB plan               | 22,607 |
| Locally funded programs | 37,765 |

|                        |           |
|------------------------|-----------|
| Unrestricted (deficit) | (777,622) |
|------------------------|-----------|

|                    |              |
|--------------------|--------------|
| Total net position | \$ 1,984,826 |
|--------------------|--------------|

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

**Operating revenues:**

|                          |                  |
|--------------------------|------------------|
| State Foundation         | \$ 1,691,709     |
| Charges for services     | 857,852          |
| Other operating revenues | 68,975           |
| Total operating revenues | <u>2,618,536</u> |

**Operating expenses:**

|                          |                  |
|--------------------------|------------------|
| Personal services        | 710,934          |
| Purchased services       | 2,869,800        |
| Materials and supplies   | 172,120          |
| Other operating expenses | 65,998           |
| Depreciation             | 103,972          |
| Total operating expenses | <u>3,922,824</u> |

|                |                    |
|----------------|--------------------|
| Operating loss | <u>(1,304,288)</u> |
|----------------|--------------------|

**Non-operating revenues:**

|                                 |                  |
|---------------------------------|------------------|
| Federal, state and local grants | 1,072,127        |
| Interest income                 | 56,575           |
| Contributions and donations     | 330,920          |
| Total non-operating revenues    | <u>1,459,622</u> |

|                        |         |
|------------------------|---------|
| Change in net position | 155,334 |
|------------------------|---------|

|                                          |                            |
|------------------------------------------|----------------------------|
| <b>Net position at beginning of year</b> | <u>1,829,492</u>           |
| <b>Net position at end of year</b>       | <u><u>\$ 1,984,826</u></u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

|                                                                                                   |                              |
|---------------------------------------------------------------------------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>                                                      |                              |
| Cash received from State Foundation                                                               | \$ 1,688,219                 |
| Cash received from sales/charges for services                                                     | 858,176                      |
| Cash received from other operations                                                               | 68,975                       |
| Cash payments for personal services                                                               | (770,565)                    |
| Cash payments to purchased services                                                               | (2,870,674)                  |
| Cash payments for materials and supplies                                                          | (181,548)                    |
| Cash payments for other expenses                                                                  | (54,894)                     |
|                                                                                                   | <hr/>                        |
| Net cash used in operating activities                                                             | (1,262,311)                  |
| <b>Cash flows from noncapital financing activities:</b>                                           |                              |
| Cash received from federal, state and local grants                                                | 807,825                      |
| Cash received from contributions and donations                                                    | 2,610                        |
|                                                                                                   | <hr/>                        |
| Net cash provided by noncapital financing activities                                              | 810,435                      |
| <b>Cash flows from capital and related financing activities:</b>                                  |                              |
| Capital grants and contributions                                                                  | 1,138,794                    |
| Acquisition of capital assets                                                                     | (372,426)                    |
|                                                                                                   | <hr/>                        |
| Net cash provided by capital and related financing activities                                     | 766,368                      |
| <b>Cash flows from investing activities:</b>                                                      |                              |
| Interest received                                                                                 | 56,576                       |
|                                                                                                   | <hr/>                        |
| Net cash provided by investing activities                                                         | 56,576                       |
|                                                                                                   | <hr/>                        |
| Net increase in cash and cash equivalents                                                         | 371,068                      |
| <b>Cash and cash equivalents at beginning of year</b>                                             | 814,417                      |
| <b>Cash and cash equivalents at end of year</b>                                                   | <u><u>\$ 1,185,485</u></u>   |
| <b>Reconciliation of operating loss to net cash used in operating activities:</b>                 |                              |
| Operating loss                                                                                    | \$ (1,304,288)               |
| Adjustments:                                                                                      |                              |
| Depreciation                                                                                      | 103,972                      |
| Changes in assets, deferred outflows of resources liabilities, and deferred inflows of resources: |                              |
| Change in accounts receivable                                                                     | 1,660                        |
| Change in intergovernmental receivable                                                            | (30,647)                     |
| Change in prepayments                                                                             | 10,656                       |
| Change in net OPEB asset                                                                          | (7,607)                      |
| Change in deferred outflows - pension                                                             | (109,953)                    |
| Change in deferred outflows - OPEB                                                                | 65,226                       |
| Change in accounts payable                                                                        | (33,450)                     |
| Change in accrued wages and benefits                                                              | (1,602)                      |
| Change in intergovernmental payable                                                               | 21,715                       |
| Change in net pension liability                                                                   | 88,830                       |
| Change in net OPEB liability                                                                      | (62,470)                     |
| Change in deferred inflows - pension                                                              | (47,946)                     |
| Change in deferred inflows - OPEB                                                                 | 43,593                       |
|                                                                                                   | <hr/>                        |
| Net cash used in operating activities                                                             | <u><u>\$ (1,262,311)</u></u> |
| <b>Non-cash transactions:</b>                                                                     |                              |
| At June 30, 2024, the School had \$49,409 in capital assets purchased on account.                 |                              |
| During fiscal year 2025, the School received \$328,310 in donated capital assets.                 |                              |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 1 - DESCRIPTION OF THE SCHOOL**

Mahoning Valley Community School (the "School"), which was known as Mahoning County High School prior to fiscal year 2025, was established pursuant to Ohio Revised Code Chapters 3314 and 1702. The School's objective is to meet the individual learning needs of at-risk students and/or students who are likely to drop out. The School targets students at risk of severe academic failure. The School takes in students along with having an alternative agreement with Youngstown City School District and other districts where students may have elected to attend the School and are reported by the resident district for EMIS purposes. The School, which is part of the State's education program, is nonsectarian in its programs, admissions policies, employment practices and all other operations. The School may acquire facilities as needed and contract for any services necessary for the operation of the School.

The School is a legally separate, community school, served by a five-person Board of Directors. The Board of Directors shall be responsible for helping create, approve, and monitor the annual budget of the School, developing policies to guide the operation of the School, secure funding for the School, and maintaining a commitment to the vision, mission and belief statements of the School and the children it serves. The Treasurer has been hired directly by the School and has a 3-year contract with the School.

The Ohio Department of Education and Workforce Office of Ohio School Sponsorship sponsored the School during fiscal year 2025 (See Note 9.C.). The Area Cooperative Computerized Educational Service System (ACCESS), under a purchased services contract with the School, provides internet, e-mail and other services to the School (See Note 9.B). Personnel providing services to the School on behalf of the Columbiana County ESC (See Note 9.A.) are considered employees of the ESC and the ESC shall be solely responsible for all payroll functions. The School provides services to approximately 146 students.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. 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) 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.

Operating revenues are those revenues that are generated directly from the primary activity of the School. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the School. All revenues and expenses not meeting this definition are reported as non-operating.

**B. Measurement Focus and Basis of Accounting**

Enterprise fund accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows and all liabilities and deferred inflows are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net 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 used for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**C. Deferred Outflows of Resources and Deferred Inflows of Resources**

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense) until then. See Notes 11 and 12 for deferred outflows of resources related to net pension liability and net OPEB liability/asset, respectively.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. See Notes 11 and 12 for deferred inflows of resources related to net pension liability and net OPEB liability/asset, respectively.

**D. Budgetary Process**

Unlike other public schools located in the State of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Revised Code Chapter 5705, unless specifically provided in the School's contract with its Sponsor. The contract between the School and its Sponsor requires the School to submit a financial plan detailing an estimated school budget for each fiscal year of the contract, or five years, whichever is less.

**E. Cash and Cash Equivalents**

All funds of the School are maintained in demand depository accounts. These depository accounts are presented on the statement of net position as "cash and cash equivalents".

**F. Prepayments**

Certain payments to vendors reflect the cost applicable to future accounting periods and are recorded as prepayments on the statement of net position. These items are reported as assets on the statement of net position using the consumption method. A current asset for prepaid amounts is recorded at the time of the purchase and the expense is reported in the year in which services are consumed.

**G. Capital Assets and Depreciation**

Capital assets are capitalized at cost or estimated historical cost and updated for additions and deletions during the year. Donated capital assets are recorded at their acquisition values as of the dates received. The School maintains a capitalization threshold of \$1,000. The School does not have any infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. In addition, assets having an estimated useful life of more than one year that are below the capitalization threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

All capital assets, except land, are depreciated. Depreciation is computed using the straight-line method. Buildings and improvements are depreciated over thirty to fifty years. Equipment is depreciated over five to ten years.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**H. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "investment in capital assets," consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**I. Intergovernmental Revenues**

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

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is permitted, matching requirements, in which the School must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School on a reimbursement basis.

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

**J. Estimates**

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

**K. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net OPEB 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.

**L. Accrued Liabilities**

All payables and other accrued liabilities are reported on the statement of net position. Accrued liabilities include accounts payable (e.g. amounts due to other entities as of June 30, 2025), accrued wages and benefits (e.g. amounts due to employees as of June 30, 2025), and intergovernmental payables (e.g. amounts due to other governments as of June 30, 2025).

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**M. Unearned Revenue**

Unearned revenues represent grants received in advance of the eligibility requirements being met. The revenue will be recognized in the period in which the eligibility requirements are met.

**NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES**

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

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The implementation of GASB Statement No. 101 did not have an effect on the financial statements of the School.

GASB Statement No. 102 improves financial reporting by providing users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The implementation of GASB Statement No. 102 did not have an effect on the financial statements of the School.

**NOTE 4 - DEPOSITS**

At June 30, 2025, the carrying amount of all School deposits was \$1,185,485 and the bank balance of all School deposits was \$1,332,836. Of the bank balance, \$250,000 was covered by the FDIC and \$1,082,836 was covered by the Ohio Pooled Collateral System (OPCS).

Custodial credit risk 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. The School has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the School and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For fiscal year 2025, the School's financial institutions were approved for a collateral rate of 102 percent through OPCS.

**NOTE 5 - RECEIVABLES**

Receivables at June 30, 2025 consisted of accounts (professional services), accrued interest, and intergovernmental grants and entitlements. All receivables are considered collectible due to the stable condition of State programs and the current year guarantee of federal funds.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 5 - RECEIVABLES - (Continued)**

A summary of intergovernmental receivables is below:

|                                         | <u>Receivable</u> |
|-----------------------------------------|-------------------|
| FTE adjustment from ODE                 | \$ 3,490          |
| Title I supplemental school improvement | 15,621            |
| Title I                                 | 1,800             |
| Title II-A                              | 1,963             |
| SERS refund                             | <u>30,770</u>     |
| Total intergovernmental receivable      | <u>\$ 53,644</u>  |

**NOTE 6 - CAPITAL ASSETS**

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

|                                               | <u>Balance</u><br><u>06/30/24</u> | <u>Additions</u>  | <u>Deductions</u> | <u>Balance</u><br><u>06/30/25</u> |
|-----------------------------------------------|-----------------------------------|-------------------|-------------------|-----------------------------------|
| <i>Capital assets, not being depreciated:</i> |                                   |                   |                   |                                   |
| Land                                          | \$ 13,577                         | \$ 28,606         | \$ -              | \$ 42,183                         |
| Total capital assets, not being depreciated   | <u>13,577</u>                     | <u>28,606</u>     | <u>-</u>          | <u>42,183</u>                     |
| <i>Capital assets, being depreciated:</i>     |                                   |                   |                   |                                   |
| Buildings and improvements                    | 2,072,843                         | 513,563           | -                 | 2,586,406                         |
| Furniture and equipment                       | <u>123,697</u>                    | <u>109,158</u>    | <u>-</u>          | <u>232,855</u>                    |
| Total capital assets, being depreciated       | <u>2,196,540</u>                  | <u>622,721</u>    | <u>-</u>          | <u>2,819,261</u>                  |
| <i>Less: accumulated depreciation</i>         |                                   |                   |                   |                                   |
| Buildings and improvements                    | (40,457)                          | (74,144)          | -                 | (114,601)                         |
| Furniture and equipment                       | <u>(14,939)</u>                   | <u>(29,828)</u>   | <u>-</u>          | <u>(44,767)</u>                   |
| Total accumulated depreciation                | <u>(55,396)</u>                   | <u>(103,972)</u>  | <u>-</u>          | <u>(159,368)</u>                  |
| Total capital assets being depreciated, net   | <u>2,141,144</u>                  | <u>518,749</u>    | <u>-</u>          | <u>2,659,893</u>                  |
| Capital assets, net                           | <u>\$ 2,154,721</u>               | <u>\$ 547,355</u> | <u>\$ -</u>       | <u>\$ 2,702,076</u>               |

**NOTE 7 - RISK MANAGEMENT**

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 contracted personnel; and natural disasters. For fiscal year 2025, the School contracted with USI Insurance Services, LLC for general liability insurance with a \$1,000,000 limit for each occurrence and a \$3,000,000 annual aggregate limit. The School contracted with USI Insurance Services, LLC for commercial property insurance with a coverage limit of \$3,000,000, subject to a \$1,000 deductible. There were no significant reductions in insurance coverage from the prior year and settled claims have not exceeded insurance coverage in each of the past three fiscal years.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 8 - PURCHASED SERVICES**

For fiscal year ended June 30, 2025, purchased service expenses were as follows:

|                                     |                     |
|-------------------------------------|---------------------|
| Professional and technical services | \$ 2,573,400        |
| Property services                   | 60,839              |
| Travel expenses                     | 6,835               |
| Communications                      | 5,674               |
| Utilities                           | 35,352              |
| Contracted services                 | 98,335              |
| Pupil transportation                | <u>89,365</u>       |
| Total                               | <u>\$ 2,869,800</u> |

**NOTE 9 - CONTRACTS**

**A. Columbiana County Educational Service Center**

The School entered into a service agreement with the Columbiana County Educational Service Center (the “ESC”). Under the terms of the agreement, the ESC shall employ and provide the School with personnel. The ESC is solely responsible for providing the personnel with compensation and fringe benefits. The ESC shall provide invoices to the School on a monthly basis requesting payment for the services. This agreement is for a term of one year commencing on July 1, 2022 and will be renewed for successive one year terms until notice of non-renewal is received from either party.

The School entered into a service contract beginning August 20, 2019 and ending July 31, 2022 with automatic one-year renewals, with Columbiana County ESC to provide bookkeeping and administrative services. The School paid Columbiana County ESC \$2,087,628 during fiscal year 2025 for these services.

**B. Area Cooperative Computerized Educational Service System (ACCESS)**

The School entered into a one-year agreement commencing on July 1, 2024 and ending June 30, 2025, with ACCESS for internet access, electronic mail, Ohio Uniform School Accounting System (USAS), the Uniform Staff Payroll System (USPS), Educational Management Information System (EMIS), Student Information System (SIS/POISE) to include student grade reporting, attendance and scheduling and INFOhio Automated library services. Separate and apart from this agreement, the School agrees to obtain at its own expense, the additional computer and electronic equipment necessary for receipt of these services at the School’s facilities. The School paid ACCESS \$15,103 for services during the contract period. This contract was renewed for fiscal year 2026.

**C. Ohio Department of Education and Workforce**

On July 1, 2017, the School entered into its sponsorship agreement with the Ohio Department of Education and Workforce. 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. According to the contract agreed by both parties, the School pays a portion of its foundation revenues to the Sponsor. In fiscal year 2025, the School paid \$49,024 to the Sponsor as a sponsor fee payment. This contract was renewed for fiscal year 2026.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 10 - CONTINGENCIES**

**A. Grants**

The School received financial assistance from Federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the School. However, the effect of any such disallowed claims on the overall financial position of the School at June 30, 2025, if applicable, cannot be determined at this time.

**B. 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 - DEFINED BENEFIT PENSION PLANS**

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

***Net Pension Liability/Net OPEB Liability/Asset***

The net pension liability and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

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

The net pension/OPEB liability (asset) 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.

The 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.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

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

***Plan Description - School Employees Retirement System (SERS)***

Plan Description - The School's 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](http://www.ohsers.org) under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

|                              | Eligible to<br>Retire before<br>August 1, 2017 *                                    | Eligible to<br>Retire on or after<br>August 1, 2017                                  |
|------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Full benefits                | Any age with 30 years of service credit                                             | Age 67 with 10 years of service credit; or<br>Age 57 with 30 years of service credit |
| Actuarially reduced benefits | Age 60 with 5 years of service credit; or<br>Age 55 with 25 years of service credit | Age 62 with 10 years of service credit; or<br>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% for the first thirty years of service and 2.5% 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% and with a floor of 0%. 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% cost-of-living adjustment (COLA) for calendar year 2024.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the School is required to contribute 14.00% 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 10.00% for plan members and 14.00% 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 14.00%. 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 \$61,131 for fiscal year 2025. Of this amount, \$1,507 is reported as intergovernmental payable.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description - Licensed teachers and other faculty members participate in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at [www.strsoh.org](http://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 (CO) 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 Aug. 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 Aug. 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 of their member contributions and 11.09% of the 14% 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% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate is deposited into the member's DC account and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

The School's contractually required contribution to STRS was \$32,730 for fiscal year 2025. Of this amount, \$8,998 is reported as intergovernmental payable.

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

The net pension liability was measured as of June 30, 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:

|                                                                  | <u>SERS</u>         | <u>STRS</u>         | <u>Total</u> |
|------------------------------------------------------------------|---------------------|---------------------|--------------|
| Proportion of the net pension liability prior measurement date   | 0.011961300%        | 0.000771270%        |              |
| Proportion of the net pension liability current measurement date | <u>0.013420100%</u> | <u>0.001191820%</u> |              |
| Change in proportionate share                                    | <u>0.001458800%</u> | <u>0.000420550%</u> |              |
| Proportionate share of the net pension liability                 | \$ 686,520          | \$ 229,325          | \$ 915,845   |
| Pension expense                                                  | \$ 8,860            | \$ 15,932           | \$ 24,792    |

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

|                                                                                                                      | SERS              | STRS              | Total             |
|----------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|
| <b>Deferred outflows of resources</b>                                                                                |                   |                   |                   |
| Differences between expected and actual experience                                                                   | \$ 26,212         | \$ 14,443         | \$ 40,655         |
| Changes of assumptions                                                                                               | 6,141             | 10,567            | 16,708            |
| Difference between employer contributions and proportionate share of contributions/<br>change in proportionate share | 60,976            | 95,965            | 156,941           |
| Contributions subsequent to the measurement date                                                                     | <u>61,131</u>     | <u>32,730</u>     | <u>93,861</u>     |
| Total deferred outflows of resources                                                                                 | <u>\$ 154,460</u> | <u>\$ 153,705</u> | <u>\$ 308,165</u> |
|                                                                                                                      | SERS              | STRS              | Total             |
| <b>Deferred inflows of resources</b>                                                                                 |                   |                   |                   |
| Differences between expected and actual experience                                                                   | \$ -              | \$ 126            | \$ 126            |
| Net difference between projected and actual earnings on pension plan investments                                     | 42,936            | 19,720            | 62,656            |
| Changes of assumptions                                                                                               | -                 | 7,955             | 7,955             |
| Difference between employer contributions and proportionate share of contributions/<br>change in proportionate share | <u>-</u>          | <u>23,412</u>     | <u>23,412</u>     |
| Total deferred inflows of resources                                                                                  | <u>\$ 42,936</u>  | <u>\$ 51,213</u>  | <u>\$ 94,149</u>  |

\$93,861 reported as deferred outflows of resources related to pension resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the 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                        | \$ (11,166)      | \$ (10,259)      | \$ (21,425)       |
| 2027                        | 64,019           | 47,266           | 111,285           |
| 2028                        | 10,165           | 20,395           | 30,560            |
| 2029                        | <u>(12,625)</u>  | <u>12,360</u>    | <u>(265)</u>      |
| Total                       | <u>\$ 50,393</u> | <u>\$ 69,762</u> | <u>\$ 120,155</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 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.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2024 and June 30, 2023, are presented below:

|                                              | June 30, 2024                                                                                                 | June 30, 2023                                                                                                 |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Inflation                                    | 2.40%                                                                                                         | 2.40%                                                                                                         |
| Future salary increases, including inflation | 3.25% to 13.58%                                                                                               | 3.25% to 13.58%                                                                                               |
| COLA or ad hoc COLA                          | 2.00% on or after April 1, 2018, COLAs for future retirees will be delayed for 3 years following commencement | 2.00% on or after April 1, 2018, COLAs for future retirees will be delayed for 3 years following commencement |
| Investment rate of return                    | 7.00% net of system expenses                                                                                  | 7.00% net of system expenses                                                                                  |
| Actuarial cost method                        | Entry age normal (level percent of payroll)                                                                   | Entry age normal (level percent of payroll)                                                                   |

In 2024, mortality rates were based on the following:

**Service Retirement:** 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% for males and set forward 2 years and adjusted 81.35% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

**Disabled Retirement:** PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

**Contingent Survivor:** PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

In the prior measurement date, mortality rates 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% for males and set forward 2 years and adjusted 81.35% 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% for males and set forward 3 years and adjusted 106.8% 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.

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. Ohio Revised Code Section 3309.15 and the Board-adopted Investment Policy govern investment activity at SERS. 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<br>Allocation | Long-Term Expected Real<br>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** - Total pension liability for 2024 was calculated using the discount rate of 7.00%. 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%. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return, 7.00%. 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%.

**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 proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the 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%), or one percentage point higher (8.00%) than the current rate.

|                                                              | 1% Decrease  | Current<br>Discount Rate | 1% Increase |
|--------------------------------------------------------------|--------------|--------------------------|-------------|
| School's proportionate share<br>of the net pension liability | \$ 1,050,278 | \$ 686,520               | \$ 380,252  |

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Actuarial Assumptions - STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2024 and June 30, 2023, actuarial valuations are presented below:

|                                   | June 30, 2024                                          | June 30, 2023                                          |
|-----------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Inflation                         | 2.50%                                                  | 2.50%                                                  |
| Projected salary increases        | Varies by service from 2.50% to 8.50%                  | Varies by service from 2.50% to 8.50%                  |
| Investment rate of return         | 7.00%, net of investment expenses, including inflation | 7.00%, net of investment expenses, including inflation |
| Discount rate of return           | 7.00%                                                  | 7.00%                                                  |
| Payroll increases                 | 3.00%                                                  | 3.00%                                                  |
| Cost-of-living adjustments (COLA) | 0.00%, effective July 1, 2017                          | 0.00%, effective July 1, 2017                          |

For the June 30, 2024 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% 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% 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.

For the prior measurement date, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% 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% 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.

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<br>Allocation* | Long-Term Expected<br>Real 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.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

\*\*10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.40% 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% 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 the rates described previously. 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% was applied to all periods of projected benefit payments 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 represents the proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00%, as well as what the 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%) or one percentage point higher (8.00%) than the current assumption:

|                                                              | 1% Decrease | Current<br>Discount Rate | 1% Increase |
|--------------------------------------------------------------|-------------|--------------------------|-------------|
| School's proportionate share<br>of the net pension liability | \$ 369,942  | \$ 229,325               | \$ 110,388  |

**Assumption and Benefit Changes Since the Prior Measurement Date** - The discount rate remained at 7.00% for June 30, 2024 valuation.

Retirement rates were extended to younger ages intended to ensure that the ranges in retirement eligibility impacted participants at such ages.

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

**NOTE 12 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability/Asset***

See Note 11 for a description of the net OPEB liability (asset).

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2025, SERS did not allocate any employer contributions to post-employment 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% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2025, the School's surcharge obligation was \$6,171.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School's contractually required contribution to SERS was \$6,171 for fiscal year 2025. Of this amount, \$6,171 is reported as intergovernmental payable.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***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](http://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% 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 Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability/asset was measured as of June 30, 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:

|                                          | <u>SERS</u>         | <u>STRS</u>         | <u>Total</u> |
|------------------------------------------|---------------------|---------------------|--------------|
| Proportion of the net OPEB               |                     |                     |              |
| liability/asset prior measurement date   | 0.012065400%        | 0.000771270%        |              |
| Proportion of the net OPEB               |                     |                     |              |
| liability/asset current measurement date | <u>0.013382600%</u> | <u>0.001191820%</u> |              |
| Change in proportionate share            | <u>0.001317200%</u> | <u>0.000420550%</u> |              |
| Proportionate share of the net           |                     |                     |              |
| OPEB liability                           | \$ 136,301          | \$ -                | \$ 136,301   |
| Proportionate share of the net           |                     |                     |              |
| OPEB asset                               | \$ -                | \$ 22,607           | \$ 22,607    |
| OPEB expense                             | \$ 49,733           | \$ (4,820)          | \$ 44,913    |

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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

|                                                                                                                      | <u>SERS</u>       | <u>STRS</u>      | <u>Total</u>      |
|----------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------|
| <b>Deferred outflows of resources</b>                                                                                |                   |                  |                   |
| Differences between expected and actual experience                                                                   | \$ -              | \$ 983           | \$ 983            |
| Net difference between projected and actual earnings on OPEB plan investments                                        | 666               | -                | 666               |
| Changes of assumptions                                                                                               | 58,497            | 2,784            | 61,281            |
| Difference between employer contributions and proportionate share of contributions/<br>change in proportionate share | 133,479           | 556              | 134,035           |
| Contributions subsequent to the measurement date                                                                     | <u>6,171</u>      | <u>-</u>         | <u>6,171</u>      |
| Total deferred outflows of resources                                                                                 | <u>\$ 198,813</u> | <u>\$ 4,323</u>  | <u>\$ 203,136</u> |
|                                                                                                                      | <u>SERS</u>       | <u>STRS</u>      | <u>Total</u>      |
| <b>Deferred inflows of resources</b>                                                                                 |                   |                  |                   |
| Differences between expected and actual experience                                                                   | \$ 146,969        | \$ 2,438         | \$ 149,407        |
| Net difference between projected and actual earnings on OPEB plan investments                                        | -                 | 970              | 970               |
| Changes of assumptions                                                                                               | 62,613            | 10,196           | 72,809            |
| Difference between employer contributions and proportionate share of contributions/<br>change in proportionate share | <u>77,916</u>     | <u>3,490</u>     | <u>81,406</u>     |
| Total deferred inflows of resources                                                                                  | <u>\$ 287,498</u> | <u>\$ 17,094</u> | <u>\$ 304,592</u> |

\$6,171 reported as deferred outflows of resources related to OPEB resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/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:

|                             | <u>SERS</u>        | <u>STRS</u>        | <u>Total</u>        |
|-----------------------------|--------------------|--------------------|---------------------|
| Fiscal Year Ending June 30: |                    |                    |                     |
| 2026                        | \$ 19,481          | \$ (3,738)         | \$ 15,743           |
| 2027                        | (2,273)            | (1,810)            | (4,083)             |
| 2028                        | (30,428)           | (2,473)            | (32,901)            |
| 2029                        | (29,943)           | (2,304)            | (32,247)            |
| 2030                        | (29,746)           | (1,960)            | (31,706)            |
| Thereafter                  | <u>(21,947)</u>    | <u>(486)</u>       | <u>(22,433)</u>     |
| Total                       | <u>\$ (94,856)</u> | <u>\$ (12,771)</u> | <u>\$ (107,627)</u> |

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Actuarial Assumptions - SERS***

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2024 and June 30, 2023 are presented below:

|                                                                                               | June 30, 2024                                           | June 30, 2023                                           |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| Inflation                                                                                     | 2.40%                                                   | 2.40%                                                   |
| Future salary increases, including inflation                                                  | 3.25% to 13.58%                                         | 3.25% to 13.58%                                         |
| Investment rate of return                                                                     | 7.00% net of investment<br>expense, including inflation | 7.00% net of investment<br>expense, including inflation |
| Actuarial cost method                                                                         | Entry Age Normal (Level<br>Percent of Payroll)          | Entry Age Normal (Level<br>Percent of Payroll)          |
| Fiduciary net position is projected to be depleted                                            | 2059                                                    | 2048                                                    |
| Municipal bond index rate                                                                     | 3.93%                                                   | 3.86%                                                   |
| Single equivalent interest rate, net of plan<br>investment expense, including price inflation | 4.88%                                                   | 4.27%                                                   |
| Medical trend assumption                                                                      | 7.00 to 4.40%                                           | 6.75 to 4.40%                                           |

In 2024, the following mortality assumptions were used:

**Healthy Retirees** - 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% for males and set forward 2 years and adjusted 81.35% for females.

**Disabled Retirees** - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.

**Contingent Survivors** - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

**Actives** - PUB-2010 General Amount Weighted Below Median Employee mortality table.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

In the prior measurement date, the following mortality assumptions were used:

**Healthy Retirees** - 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% for males and set forward 2 years and adjusted 81.35% for females.

**Disabled Retirees** - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.

**Contingent Survivors** - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

**Actives** - PUB-2010 General Amount Weighted Below Median Employee mortality table.

**Mortality Projection** - 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 on plan assets of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent five-year experience study was performed for the period covering 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%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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

As of June 30, 2024:

| <u>Asset Class</u>          | <u>Target<br/>Allocation</u> | <u>Long-Term Expected Real<br/>Rate of Return (geometric)</u> |
|-----------------------------|------------------------------|---------------------------------------------------------------|
| 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>              |                                                               |

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total OPEB liability at June 30, 2024, was 4.88%. The discount rate used to measure total OPEB liability prior to June 30, 2024, was 4.27%. 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% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position is 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% at June 30, 2024 and 3.86% at June 30, 2023.

**Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates** - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the proportionate share of the net OPEB liability, what the proportionate share of the 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 the proportionate share of the 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 (7.00% decreasing to 4.40%).

|                                                           | 1% Decrease | Current<br>Discount Rate | 1% Increase |
|-----------------------------------------------------------|-------------|--------------------------|-------------|
| School's proportionate share<br>of the net OPEB liability | \$ 181,753  | \$ 136,301               | \$ 100,184  |

  

|                                                           | 1% Decrease | Current<br>Trend Rate | 1% Increase |
|-----------------------------------------------------------|-------------|-----------------------|-------------|
| School's proportionate share<br>of the net OPEB liability | \$ 92,134   | \$ 136,301            | \$ 194,355  |

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2024 actuarial valuation, compared with June 30, 2023 actuarial valuation, are presented below:

|                            | June 30, 2024                                          |          | June 30, 2023                                          |          |
|----------------------------|--------------------------------------------------------|----------|--------------------------------------------------------|----------|
| Projected salary increases | Varies by service from 2.50% to 8.50%                  |          | Varies by service from 2.50% to 8.50%                  |          |
| Investment rate of return  | 7.00%, net of investment expenses, including inflation |          | 7.00%, net of investment expenses, including inflation |          |
| Payroll increases          | 3.00%                                                  |          | 3.00%                                                  |          |
| Discount rate of return    | 7.00%                                                  |          | 7.00%                                                  |          |
| Health care cost trends    |                                                        |          |                                                        |          |
|                            | Initial                                                | Ultimate | Initial                                                | Ultimate |
| Medical                    |                                                        |          |                                                        |          |
| Pre-Medicare               | 7.50%                                                  | 3.94%    | 7.50%                                                  | 4.14%    |
| Medicare                   | -112.22%                                               | 3.94%    | -10.94%                                                | 4.14%    |
| Prescription Drug          |                                                        |          |                                                        |          |
| Pre-Medicare               | 8.00%                                                  | 3.94%    | -11.95%                                                | 4.14%    |
| Medicare                   | -15.14%                                                | 3.94%    | 1.33%                                                  | 4.14%    |

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

For the June 30, 2024 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% 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% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% 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% 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.

***Assumption Changes Since the Prior Measurement Date*** - The discount rate remained unchanged at 7.00% for the June 30, 2024 valuation.

***Benefit Term Changes Since the Prior Measurement Date*** - Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

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<br>Allocation* | Long-Term Expected<br>Real 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                | <u>100.00 %</u>       |                                              |

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

\*\*10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.40% 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.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total OPEB liability was 7.00% 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 those 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% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2024.

**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%, as well as what the proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the proportionate share of 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 | Current<br>Discount Rate | 1% Increase |
|-------------------------------------------------------|-------------|--------------------------|-------------|
| School's proportionate share<br>of the net OPEB asset | \$ 18,381   | \$ 22,607                | \$ 26,284   |

  

|                                                       | 1% Decrease | Current<br>Trend Rate | 1% Increase |
|-------------------------------------------------------|-------------|-----------------------|-------------|
| School's proportionate share<br>of the net OPEB asset | \$ 26,532   | \$ 22,607             | \$ 17,885   |

**NOTE 13 - LONG-TERM OBLIGATIONS**

The School's long-term obligations during the year consist of the following.

|                                | Balance at<br>06/30/24 | Additions        | Reductions         | Balance at<br>06/30/25 | Due Within<br>One Year |
|--------------------------------|------------------------|------------------|--------------------|------------------------|------------------------|
| Net pension liability:         |                        |                  |                    |                        |                        |
| STRS                           | \$ 166,093             | \$ 63,232        | \$ -               | \$ 229,325             | \$ -                   |
| SERS                           | 660,922                | 25,598           | -                  | 686,520                | -                      |
| Net OPEB liability:            |                        |                  |                    |                        |                        |
| SERS                           | 198,771                | -                | (62,470)           | 136,301                | -                      |
| Total long-term<br>obligations | <u>\$ 1,025,786</u>    | <u>\$ 88,830</u> | <u>\$ (62,470)</u> | <u>\$ 1,052,146</u>    | <u>\$ -</u>            |

Net Pension Liability - See Note 11 for information on the School's net pension liability.

Net OPEB Liability - See Note 12 for detail on the School's net OPEB liability.

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## REQUIRED SUPPLEMENTARY INFORMATION

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY AND  
SCHOOL PENSION CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

| <b>Fiscal<br/>Year (1)</b> | <b>School's<br/>Proportion<br/>of the Net<br/>Pension Liability</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>Pension Liability</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>Pension Liability as<br/>a Percentage of its<br/>Covered Payroll</b> | <b>Plan Fiduciary<br/>Net Position as a<br/>Percentage of the<br/>Total Pension<br/>Liability</b> |
|----------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 2025                       | 0.013420100%                                                        | \$ 686,520                                                                   | \$ 556,443                              | 123.38%                                                                                                                     | 78.52%                                                                                            |
| 2024                       | 0.011961300%                                                        | 660,922                                                                      | 482,407                                 | 137.01%                                                                                                                     | 76.06%                                                                                            |
| 2023                       | 0.011805800%                                                        | 638,549                                                                      | 442,343                                 | 144.36%                                                                                                                     | 75.82%                                                                                            |
| 2022                       | 0.015891600%                                                        | 586,354                                                                      | 410,057                                 | 142.99%                                                                                                                     | 82.86%                                                                                            |
| 2021                       | 0.014277200%                                                        | 944,324                                                                      | 648,829                                 | 145.54%                                                                                                                     | 68.55%                                                                                            |
| 2020                       | 0.000295700%                                                        | 17,692                                                                       | 10,141                                  | 174.46%                                                                                                                     | 70.85%                                                                                            |
| 2019                       | 0.000000000%                                                        | -                                                                            | -                                       | 0.00%                                                                                                                       | 71.36%                                                                                            |
| 2018                       | 0.000013720%                                                        | 8,197                                                                        | -                                       | 0.00%                                                                                                                       | 69.50%                                                                                            |
| 2017                       | 0.003126400%                                                        | 228,824                                                                      | 97,093                                  | 235.68%                                                                                                                     | 62.98%                                                                                            |
| 2016                       | 0.005284800%                                                        | 301,556                                                                      | 159,097                                 | 189.54%                                                                                                                     | 69.16%                                                                                            |

| <b>Fiscal<br/>Year</b> | <b>Contractually<br/>Required<br/>Contributions</b> | <b>Contributions in<br/>Relation to the<br/>Contractually<br/>Required<br/>Contributions</b> | <b>Contribution<br/>Deficiency<br/>(Excess)</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>Contributions<br/>as a Percentage<br/>of Covered<br/>Payroll</b> |
|------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------|
| 2025                   | \$ 61,131                                           | \$ (61,131)                                                                                  | \$ -                                            | \$ 436,650                              | 14.00%                                                              |
| 2024                   | 77,902                                              | (77,902)                                                                                     | -                                               | 556,443                                 | 14.00%                                                              |
| 2023                   | 67,537                                              | (67,537)                                                                                     | -                                               | 482,407                                 | 14.00%                                                              |
| 2022                   | 61,928                                              | (61,928)                                                                                     | -                                               | 442,343                                 | 14.00%                                                              |
| 2021                   | 57,408                                              | (57,408)                                                                                     | -                                               | 410,057                                 | 14.00%                                                              |
| 2020                   | 90,836                                              | (90,836)                                                                                     | -                                               | 648,829                                 | 14.00%                                                              |
| 2019                   | 1,369                                               | (1,369)                                                                                      | -                                               | 10,141                                  | 13.50%                                                              |
| 2018                   | -                                                   | -                                                                                            | -                                               | -                                       | 13.50%                                                              |
| 2017                   | 644                                                 | (644)                                                                                        | -                                               | 4,600                                   | 14.00%                                                              |
| 2016                   | 13,593                                              | (13,593)                                                                                     | -                                               | 97,093                                  | 14.00%                                                              |

(1) Amounts presented for each fiscal year were determined as of the School's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY AND  
SCHOOL PENSION CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

| <b>Fiscal<br/>Year (1)</b> | <b>School's<br/>Proportion<br/>of the Net<br/>Pension Liability</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>Pension Liability</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>Pension Liability as<br/>a Percentage of its<br/>Covered Payroll</b> | <b>Plan Fiduciary<br/>Net Position as a<br/>Percentage of the<br/>Total Pension<br/>Liability</b> |
|----------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 2025                       | 0.001191820%                                                        | \$ 229,325                                                                   | \$ 164,593                              | 139.33%                                                                                                                     | 82.55%                                                                                            |
| 2024                       | 0.000771270%                                                        | 166,093                                                                      | 103,500                                 | 160.48%                                                                                                                     | 80.02%                                                                                            |
| 2023                       | 0.000538910%                                                        | 119,801                                                                      | 69,450                                  | 172.50%                                                                                                                     | 78.88%                                                                                            |
| 2022                       | 0.000656587%                                                        | 83,951                                                                       | 77,193                                  | 108.75%                                                                                                                     | 87.78%                                                                                            |
| 2021                       | 0.001049880%                                                        | 254,034                                                                      | 132,650                                 | 191.51%                                                                                                                     | 75.48%                                                                                            |
| 2020                       | 0.000000000%                                                        | -                                                                            | -                                       | 0.00%                                                                                                                       | 77.40%                                                                                            |
| 2019                       | 0.000000000%                                                        | -                                                                            | -                                       | 0.00%                                                                                                                       | 77.31%                                                                                            |
| 2018                       | 0.000000000%                                                        | -                                                                            | -                                       | 0.00%                                                                                                                       | 75.30%                                                                                            |
| 2017                       | 0.000203340%                                                        | 68,064                                                                       | 21,393                                  | 318.16%                                                                                                                     | 66.80%                                                                                            |
| 2016                       | 0.000043660%                                                        | 12,066                                                                       | 4,557                                   | 264.78%                                                                                                                     | 72.10%                                                                                            |

| <b>Fiscal<br/>Year</b> | <b>Contractually<br/>Required<br/>Contributions</b> | <b>Contributions in<br/>Relation to the<br/>Contractually<br/>Required<br/>Contributions</b> | <b>Contribution<br/>Deficiency<br/>(Excess)</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>Contributions<br/>as a Percentage<br/>of Covered<br/>Payroll</b> |
|------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------|
| 2025                   | \$ 32,730                                           | \$ (32,730)                                                                                  | \$ -                                            | \$ 233,786                              | 14.00%                                                              |
| 2024                   | 23,043                                              | (23,043)                                                                                     | -                                               | 164,593                                 | 14.00%                                                              |
| 2023                   | 14,490                                              | (14,490)                                                                                     | -                                               | 103,500                                 | 14.00%                                                              |
| 2022                   | 9,723                                               | (9,723)                                                                                      | -                                               | 69,450                                  | 14.00%                                                              |
| 2021                   | 10,807                                              | (10,807)                                                                                     | -                                               | 77,193                                  | 14.00%                                                              |
| 2020                   | 18,571                                              | (18,571)                                                                                     | -                                               | 132,650                                 | 14.00%                                                              |
| 2019                   | -                                                   | -                                                                                            | -                                               | -                                       | 14.00%                                                              |
| 2018                   | -                                                   | -                                                                                            | -                                               | -                                       | 14.00%                                                              |
| 2017                   | -                                                   | -                                                                                            | -                                               | -                                       | 14.00%                                                              |
| 2016                   | 2,995                                               | (2,995)                                                                                      | -                                               | 21,393                                  | 14.00%                                                              |

(1) Amounts presented for each fiscal year were determined as of the School's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY AND  
SCHOOL OPEB CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST NINE AND TEN FISCAL YEARS

| <b>Fiscal<br/>Year (1) (2)</b> | <b>School's<br/>Proportion<br/>of the Net<br/>OPEB Liability</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>OPEB Liability</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>OPEB Liability as<br/>a Percentage of its<br/>Covered Payroll</b> | <b>Plan Fiduciary<br/>Net Position as a<br/>Percentage of the<br/>Total OPEB<br/>Liability</b> |
|--------------------------------|------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 2025                           | 0.013382600%                                                     | \$ 136,301                                                                | \$ 556,443                              | 24.50%                                                                                                                   | 44.50%                                                                                         |
| 2024                           | 0.012065400%                                                     | 198,771                                                                   | 482,407                                 | 41.20%                                                                                                                   | 30.02%                                                                                         |
| 2023                           | 0.011928100%                                                     | 167,472                                                                   | 442,343                                 | 37.86%                                                                                                                   | 30.34%                                                                                         |
| 2022                           | 0.015987300%                                                     | 302,573                                                                   | 410,057                                 | 73.79%                                                                                                                   | 24.08%                                                                                         |
| 2021                           | 0.014672500%                                                     | 318,881                                                                   | 648,829                                 | 49.15%                                                                                                                   | 18.17%                                                                                         |
| 2020                           | 0.000308100%                                                     | 7,748                                                                     | 10,519                                  | 73.66%                                                                                                                   | 15.57%                                                                                         |
| 2019                           | 0.000000000%                                                     | -                                                                         | -                                       | 0.00%                                                                                                                    | 13.57%                                                                                         |
| 2018                           | 0.000128600%                                                     | 34,851                                                                    | -                                       | 0.00%                                                                                                                    | 12.46%                                                                                         |
| 2017                           | 0.003175070%                                                     | 90,501                                                                    | 97,093                                  | 93.21%                                                                                                                   | 11.49%                                                                                         |

| <b>Fiscal<br/>Year</b> | <b>Contractually<br/>Required<br/>Contributions</b> | <b>Contributions in<br/>Relation to the<br/>Contractually<br/>Required<br/>Contributions</b> | <b>Contribution<br/>Deficiency<br/>(Excess)</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>Contributions<br/>as a Percentage<br/>of Covered<br/>Payroll</b> |
|------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------|
| 2025                   | \$ 6,171                                            | \$ (6,171)                                                                                   | \$ -                                            | \$ 436,650                              | 1.41%                                                               |
| 2024                   | 7,937                                               | (7,937)                                                                                      | -                                               | 556,443                                 | 1.43%                                                               |
| 2023                   | 7,510                                               | (7,510)                                                                                      | -                                               | 482,407                                 | 1.56%                                                               |
| 2022                   | 7,056                                               | (7,056)                                                                                      | -                                               | 442,343                                 | 1.60%                                                               |
| 2021                   | 8,429                                               | (8,429)                                                                                      | -                                               | 410,057                                 | 2.06%                                                               |
| 2020                   | 8,570                                               | (8,570)                                                                                      | -                                               | 648,829                                 | 1.32%                                                               |
| 2019                   | 263                                                 | (263)                                                                                        | -                                               | 10,141                                  | 2.59%                                                               |
| 2018                   | -                                                   | -                                                                                            | -                                               | -                                       | 0.00%                                                               |
| 2017                   | -                                                   | -                                                                                            | -                                               | 4,600                                   | 0.00%                                                               |
| 2016                   | 2,844                                               | (2,844)                                                                                      | -                                               | 97,093                                  | 2.93%                                                               |

(1) Amounts presented for each fiscal year were determined as of the School's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/(ASSET) AND  
SCHOOL OPEB CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST NINE AND TEN FISCAL YEARS

| <b>Fiscal<br/>Year (1) (2)</b> | <b>School's<br/>Proportion<br/>of the Net OPEB<br/>Liability/(Asset)</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>OPEB<br/>Liability/(Asset)</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>School's<br/>Proportionate<br/>Share of the Net<br/>OPEB<br/>Liability/(Asset) as<br/>a Percentage of its<br/>Covered Payroll</b> | <b>Plan Fiduciary<br/>Net Position as a<br/>Percentage of the<br/>Total OPEB<br/>Liability/(Asset)</b> |
|--------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| 2025                           | 0.001191820%                                                             | \$ (22,607)                                                                           | \$ 164,593                              | 13.74%                                                                                                                               | 158.01%                                                                                                |
| 2024                           | 0.000771270%                                                             | (15,000)                                                                              | 103,500                                 | 14.49%                                                                                                                               | 168.52%                                                                                                |
| 2023                           | 0.000538910%                                                             | (13,954)                                                                              | 69,450                                  | 20.09%                                                                                                                               | 230.73%                                                                                                |
| 2022                           | 0.000656587%                                                             | (13,844)                                                                              | 77,193                                  | 17.93%                                                                                                                               | 174.73%                                                                                                |
| 2021                           | 0.001049880%                                                             | (18,452)                                                                              | 132,650                                 | 13.91%                                                                                                                               | 182.10%                                                                                                |
| 2020                           | 0.000000000%                                                             | -                                                                                     | -                                       | 0.00%                                                                                                                                | 174.74%                                                                                                |
| 2019                           | 0.000000000%                                                             | -                                                                                     | -                                       | 0.00%                                                                                                                                | 176.00%                                                                                                |
| 2018                           | 0.000000000%                                                             | -                                                                                     | -                                       | 0.00%                                                                                                                                | 47.10%                                                                                                 |
| 2017                           | 0.000203340%                                                             | 10,875                                                                                | 21,393                                  | 50.83%                                                                                                                               | 37.30%                                                                                                 |

| <b>Fiscal<br/>Year</b> | <b>Contractually<br/>Required<br/>Contributions</b> | <b>Contributions in<br/>Relation to the<br/>Contractually<br/>Required<br/>Contributions</b> | <b>Contribution<br/>Deficiency<br/>(Excess)</b> | <b>School's<br/>Covered<br/>Payroll</b> | <b>Contributions<br/>as a Percentage<br/>of Covered<br/>Payroll</b> |
|------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------|
| 2025                   | \$ -                                                | \$ -                                                                                         | \$ -                                            | \$ 233,786                              | 0.00%                                                               |
| 2024                   | -                                                   | -                                                                                            | -                                               | 164,593                                 | 0.00%                                                               |
| 2023                   | -                                                   | -                                                                                            | -                                               | 103,500                                 | 0.00%                                                               |
| 2022                   | -                                                   | -                                                                                            | -                                               | 69,450                                  | 0.00%                                                               |
| 2021                   | -                                                   | -                                                                                            | -                                               | 77,193                                  | 0.00%                                                               |
| 2020                   | -                                                   | -                                                                                            | -                                               | 132,650                                 | 0.00%                                                               |
| 2019                   | -                                                   | -                                                                                            | -                                               | -                                       | 0.00%                                                               |
| 2018                   | -                                                   | -                                                                                            | -                                               | -                                       | 0.00%                                                               |
| 2017                   | -                                                   | -                                                                                            | -                                               | -                                       | 0.00%                                                               |
| 2016                   | -                                                   | -                                                                                            | -                                               | 21,393                                  | 0.00%                                                               |

(1) Amounts presented for each fiscal year were determined as of the School's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**PENSION**

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- For fiscal year 2023, SERS changed from a Cost of Living Adjustment (COLA) of 2.0% to 2.5%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts reported for fiscal year 2025.

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50% - 18.20% to 3.25% - 13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2025.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2023.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2024.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2025.

*Changes in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For fiscal year 2023, the following changes of assumption affected the total pension liability since the prior measurement date: the projected salary increases went from 12.50% at age 20 to 2.50% at age 65 to varies by service from 2.50% to 8.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2025.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

**OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- There were no changes in benefit terms from the amounts reported for fiscal year 2018.
- There were no changes in benefit terms from the amounts reported for fiscal year 2019.
- There were no changes in benefit terms from the amounts reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts reported for fiscal year 2021.
- There were no changes in benefit terms from the amounts reported for fiscal year 2022.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts reported for fiscal year 2025.

*Change in assumptions:*

- For fiscal year 2017, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50% - 5.00% to a range of 5.375% - 4.75% and Pre-Medicare were changed from a range of 7.50% - 5.00% to a range of 7.25% - 4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375% - 4.75% to a range of 5.25% - 4.75% and Pre-Medicare were changed from a range of 7.25% - 4.75% to a range of 7.00% - 4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%, and (c) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22% to 2.63%.
- For fiscal year 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50% - 18.20% to 3.25% - 13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.
- For fiscal year 2024, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.69% to 3.86%, (b) single equivalent interest rate when from 4.08% to 4.27% and (c) medical trend assumptions went from 7.00% to 4.40% to 6.75% to 4.40%.
- For fiscal year 2025, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.86% to 3.93%, (b) single equivalent interest rate when from 4.27% to 4.88% and (c) medical trend assumptions went from 6.75% to 4.40% to 7.00% to 4.40%.

**STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO**

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts previously reported for fiscal year 2017.
- For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% 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.
- For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For fiscal year 2020, STRS increased the non-Medicare subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.
- For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. 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 CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2025.

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)," (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) 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 and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)" and (b) decrease in health care cost trend rates from 6.00% - 11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate; and prescription drug Medicare from (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.
- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to - 6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from - 6.69% initial - 4.00% ultimate down to - 16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.
- For fiscal year 2023, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) projected salary increase went from 12.50% at age 20 to 2.50% at age 65 to varies by services from 2.50% to 8.50% and (b) health care cost trend rates were changed to the following: Pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from - 16.18% initial - 4.00% ultimate to - 68.78% initial - 3.94% ultimate; prescription drug Pre-Medicare from 6.50% initial - 4.00% ultimate to 9.00% initial - 3.94% ultimate; Medicare from 29.98% initial - 4.00% ultimate to - 5.47% initial - 3.94% ultimate.

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

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

**NOTE 1 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- For fiscal year 2024, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical Pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate; medical Medicare from - 68.78% initial - 3.94% ultimate to - 10.94% initial - 4.14% ultimate; prescription drug Pre-Medicare from 9.00% initial - 3.94% ultimate to - 11.95% initial - 4.14% ultimate; and prescription drug Medicare from - 5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.
- For fiscal year 2025, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical Pre-Medicare from 7.50% initial - 4.14% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from - 10.94% initial - 4.14% ultimate to - 112.22% initial - 3.94% ultimate; prescription drug Pre-Medicare from - 11.95% initial - 4.14% ultimate to 8.00% initial - 3.94% ultimate; and prescription drug Medicare from 1.33% initial - 4.14% ultimate to - 15.14% initial - 3.94% ultimate.

## **SUPPLEMENTARY INFORMATION**

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

| <b>FEDERAL GRANTOR/<br/>PASS THROUGH GRANTOR/<br/>PROGRAM/CLUSTER TITLE</b>                                 | <b>ASSISTANCE<br/>LISTING<br/>NUMBER</b> | <b>PASS-THROUGH ENTITY<br/>IDENTIFYING NUMBER /<br/>ADDITIONAL AWARD<br/>IDENTIFICATION</b> | <b>TOTAL FEDERAL<br/>EXPENDITURES</b> |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------|
| <b>U.S. DEPARTMENT OF AGRICULTURE</b>                                                                       |                                          |                                                                                             |                                       |
| <i>Passed Through the Ohio Department of Education and Workforce</i>                                        |                                          |                                                                                             |                                       |
| <b>Child Nutrition Cluster</b>                                                                              |                                          |                                                                                             |                                       |
| School Breakfast Program                                                                                    | 10.553                                   | 2025                                                                                        | \$ 15,720                             |
| National School Lunch Program                                                                               | 10.555                                   | 2025                                                                                        | 47,120                                |
| <b>Total Child Nutrition Cluster</b>                                                                        |                                          |                                                                                             | 62,840                                |
| <b>Total U.S. Department of Agriculture</b>                                                                 |                                          |                                                                                             | 62,840                                |
| <b>U.S. DEPARTMENT OF EDUCATION</b>                                                                         |                                          |                                                                                             |                                       |
| <i>Passed Through the Ohio Department of Education and Workforce</i>                                        |                                          |                                                                                             |                                       |
| Title I Grants to Local Educational Agencies - Expanding Opportunities for Each Child Non-competitive Grant | 84.010A                                  | 84.010A, 2024                                                                               | 25,938                                |
| Title I Grants to Local Educational Agencies                                                                | 84.010A                                  | 84.010A, 2024                                                                               | 8,057                                 |
| Title I Grants to Local Educational Agencies                                                                | 84.010A                                  | 84.010A, 2025                                                                               | 129,442                               |
| Title I Grants to Local Educational Agencies - Non-competitive, Supplemental School Improvement             | 84.010A                                  | 84.010A, 2025                                                                               | 136,184                               |
| Title I Grants to Local Educational Agencies - Expanding Opportunities for Each Child Non-competitive Grant | 84.010A                                  | 84.010A, 2025                                                                               | 66,981                                |
| <b>Total Title I Grants to Local Educational Agencies</b>                                                   |                                          |                                                                                             | 366,602                               |
| <b>Special Education Cluster (IDEA)</b>                                                                     |                                          |                                                                                             |                                       |
| Special Education-Grants to States (IDEA, Part B)                                                           | 84.027A                                  | 84.027A, 2025                                                                               | 44,384                                |
| <b>Total Special Education Cluster (IDEA)</b>                                                               |                                          |                                                                                             | 44,384                                |
| <i>Direct Award</i>                                                                                         |                                          |                                                                                             |                                       |
| K-12 Congressionally Funded Community Projects                                                              | 84.215K                                  | 84.215K, 2024                                                                               | 229,353                               |
| <i>Passed Through the Ohio Department of Education and Workforce</i>                                        |                                          |                                                                                             |                                       |
| Supporting Effective Instruction State Grants                                                               | 84.367A                                  | 84.367A, 2024                                                                               | 4,312                                 |
| Supporting Effective Instruction State Grants                                                               | 84.367A                                  | 84.367A, 2025                                                                               | 8,382                                 |
| <b>Total Supporting Effective Instruction State Grants</b>                                                  |                                          |                                                                                             | 12,694                                |
| Student Support and Academic Enrichment Program                                                             | 84.424A                                  | 84.424A, 2024                                                                               | 2,150                                 |
| Student Support and Academic Enrichment Program                                                             | 84.424A                                  | 84.424A, 2025                                                                               | 10,228                                |
| <b>Total Student Support and Academic Enrichment Program</b>                                                |                                          |                                                                                             | 12,378                                |
| <b>Total U.S. Department of Education</b>                                                                   |                                          |                                                                                             | 665,411                               |
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>                                                         |                                          |                                                                                             |                                       |
| <i>Passed Through the Ohio Department of Jobs and Family Services</i>                                       |                                          |                                                                                             |                                       |
| Temporary Assistance for Needy Families                                                                     | 93.558                                   | G-2425-17-0362,2024                                                                         | 110,423                               |
| <b>Total US Department of Health and Human Services</b>                                                     |                                          |                                                                                             | 110,423                               |
| <b>Total Federal Financial Assistance</b>                                                                   |                                          |                                                                                             | \$ 838,674                            |

*The accompanying notes are an integral part of this schedule.*

**MAHONING VALLEY COMMUNITY SCHOOL**  
**MAHONING COUNTY, OHIO**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
*2 CFR § 200.510(b)(6)*  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

**NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Mahoning Valley Community School under programs of the federal government for the fiscal year ended June 30, 2025, and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Mahoning Valley Community School, it is not intended to and does not present the financial position, or changes in net position, or cash flows of Mahoning Valley Community School. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited as to reimbursement.

**NOTE 2 – DE MINIMIS COST RATE**

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. Mahoning Valley Community School has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 – CHILD NUTRITION CLUSTER**

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

**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***

Mahoning Valley Community School  
Mahoning County  
2026 South Avenue  
Youngstown, Ohio 44502

To the Members of the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Mahoning Valley Community School, Mahoning County, Ohio, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Mahoning Valley Community School's basic financial statements, and have issued our report thereon dated December 26, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Mahoning Valley Community 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 Mahoning Valley Community School's internal control. Accordingly, we do not express an opinion on the effectiveness of Mahoning Valley Community 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 Mahoning Valley Community School's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Mahoning Valley Community School

Mahoning County

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*

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Mahoning Valley Community 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 Mahoning Valley Community 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 Mahoning Valley Community School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.

December 26, 2025

**Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance Required by the Uniform Guidance**

Mahoning Valley Community School  
Mahoning County  
2026 South Avenue  
Youngstown, Ohio 44502

To the Members of the Board of Directors:

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

***Opinion on Each Major Federal Program***

We have audited Mahoning Valley Community School's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Mahoning Valley Community School's major federal programs for the fiscal year ended June 30, 2025. Mahoning Valley Community School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

In our opinion, Mahoning Valley Community School complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

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

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

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

***Responsibilities of Management for Compliance***

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

Mahoning Valley Community School  
Mahoning County  
Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance Required by the Uniform Guidance

***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

**Report on Internal Control over Compliance**

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

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

Mahoning Valley Community School  
Mahoning County  
Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance Required by the Uniform Guidance

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

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
December 26, 2025

**MAHONING VALLEY COMMUNITY SCHOOL  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2025**

| <b>1. SUMMARY OF AUDITOR'S RESULTS</b> |                                                                                                                       |                                                           |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| <i>(d)(1)(i)</i>                       | <i>Type of Financial Statement Opinion</i>                                                                            | Unmodified                                                |
| <i>(d)(1)(ii)</i>                      | <i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>                  | No                                                        |
| <i>(d)(1)(ii)</i>                      | <i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i> | None Reported                                             |
| <i>(d)(1)(iii)</i>                     | <i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>                        | No                                                        |
| <i>(d)(1)(iv)</i>                      | <i>Were there any material weaknesses in internal control reported for major federal programs?</i>                    | No                                                        |
| <i>(d)(1)(iv)</i>                      | <i>Were there any significant deficiencies in internal control reported for major federal programs?</i>               | None Reported                                             |
| <i>(d)(1)(v)</i>                       | <i>Type of Major Program's Compliance Opinion</i>                                                                     | Unmodified                                                |
| <i>(d)(1)(vi)</i>                      | <i>Are there any reportable findings under 2 CFR §200.516(a)?</i>                                                     | No                                                        |
| <i>(d)(1)(vii)</i>                     | <i>Major Program(s) (listed):</i>                                                                                     | Title I Grants to Local Educational Agencies (ALN 84.010) |
| <i>(d)(1)(viii)</i>                    | <i>Dollar Threshold: Type A/B Programs</i>                                                                            | Type A: > \$750,000<br>Type B: all others                 |
| <i>(d)(1)(ix)</i>                      | <i>Low Risk Auditee under 2 CFR § 200.520?</i>                                                                        | Yes                                                       |

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# OHIO AUDITOR OF STATE KEITH FABER



**MAHONING VALLEY COMMUNITY SCHOOL**

**MAHONING COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 4/21/2026**

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](http://www.ohioauditor.gov)