MAHONING AND COLUMBIANA TRAINING ASSOCIATION
MAHONING COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2023

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Directors
Mahoning and Columbiana Training Association
721 Boardman-Canfield Rd
Boardman, OH 44512

We have reviewed the *Independent Auditor's Report* of the Mahoning and Columbiana Training Association, Mahoning County, prepared by Canter & Associates, for the audit period July 1, 2022 through June 30, 2023. 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 and Columbiana Training Association is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

April 08, 2024

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MAHONING AND COLUMBIANA TRAINING ASSOCIATION
MAHONING COUNTY

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INDEPENDENT AUDITOR'S REPORT

Mahoning and Columbiana Training Association
721 Boardman-Canfield Road
Boardman, Ohio 44512

To the Board of Directors:

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund, of the Mahoning and Columbiana Training Association (MCTA), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the MCTA'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 respective financial position of the governmental activities and the major fund of the Mahoning and Columbiana Training Association, as of June 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the MCTA'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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the MCTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the MCTA'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 postemployment benefit liabilities and pension and postemployment benefit contributions listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mahoning and Columbiana Training Association's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2024, on our consideration of the Mahoning and Columbiana Training Association'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 to solely 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 and Columbiana Training Association'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 and Columbiana Training Association's internal control over financial reporting and compliance.

CANTER & ASSOCIATES

Canter & Assoc

Poland, Ohio

February 26, 2024

The discussion and analysis of the Mahoning and Columbiana Training Association (Association) financial performance provides an overall review of the Association's financial activities for fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the Association's financial performance as a whole; readers are encouraged to consider the information presented here in conjunction with the additional information contained in the financial statements and the notes thereof. A message from the Director of the Workforce Development Board, Inc. (WDB) along with information regarding Area 17's projects and activities are included for the reader's information and appreciation of the excellent continuous improvement.

FINANCIAL HIGHLIGHTS

Key Financial Highlights for the year ended June 30, 2023 are as follows:

- The liabilities and deferred inflows of resources of the Association exceeded its assets and deferred outflows of resources by $1,750,402, a decrease in net position of 7% from the prior year balance.

- The total Net Position decreased by $119,860 due mostly to GASB 68 and GASB 75 and the related pension/OPEB expense increase for PY 22.

- Association met or exceeded all WIOA Performance Measures.

USING THIS ANNUAL REPORT

The discussion and analysis is intended to serve as an introduction to the Mahoning and Columbiana Training Association's basic financial statements. The Association's basic financial statements are comprised of three components: 1) government-wide statements; 2) fund financial statements; and 3) notes to the financial statements.

<u>Government-Wide Statements</u>

The government-wide statements are designed to provide readers with a broad overview of the Association's finances on a full accrual basis of accounting, which is similar to a private-sector business. The statement of net position presents information on all of the Association's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between them reported as net position.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Association is improving or deteriorating.

The statement of activities presents information showing how the Association's net position changed during the most recent fiscal year.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Association that are principally supported by intergovernmental revenues (governmental activities). The governmental activities of the Association include the Workforce Investment Act and Workforce Innovation and Opportunity Act activities for the following funding streams, administration, adult, dislocated workers, rapid response, youth, TANF CCMEP, and other funding streams as available. There are no business-type activities reported for the Association.

Fund Financial Statements

The fund financial statements are used to report additional and detailed information about the Association. These statements focus on the major fund of the Association. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Association, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The only governmental fund of the Association is a general revenue fund.

Governmental Funds

The Association's basic services are reported in its governmental fund, which focuses on how money flows into and out of the fund and the balance left at year-end that is available for spending. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Association's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Association's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation in the financial statements.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

THE ASSOCIATION AS A WHOLE

Government-Wide Financial Analysis

The financial statements include all organizations, activities and functions for which the Association is financially accountable. The accounts of the Association are organized on the basis of funds and account groups, each of which is considered a separate accounting entity.

The operation of the fund is accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund balance, revenues and expenditures.

The individual fund and account groups, which are used by Association, are classified as Governmental Fund: General Fund – Accounts for and reports all financial resources not accounted for and reported in another fund and is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Association's governmental type activities.

Table 1 - Net Position

	June 30, 2023	June 30, 2022	Change
Assets			
Current and Other Assets	$1,069,622	$1,645,809	($576,187)
Capital Assets, Net of Depreciation	332,302	383,425	(51,123)
Total Assets	1,401,924	2,029,234	(627,310)
Deferred Outflows of Resources			
Pension - OPERS	1,196,758	315,152	881,606
OPEB - OPERS	212,961	20,613	192,348
Total	1,409,719	335,765	1,073,954
Liabilities			
Current and Other Liabilities	714,894	914,498	(199,604)
Long-Term Liabilities:			
Due in More than One Year:			
Net Pension Liability	3,260,925	973,749	2,287,176
Other Due in More than One Year	535,028	523,288	11,740
Total Liabilities	4,510,847	2,411,535	2,099,312
Deferred Inflows of Resources			
Pension - OPERS	25,322	1,206,235	(1,180,913)
OPEB - OPERS	25,876	377,771	(351,895)
Total	51,198	1,584,006	(1,532,808)
Net Position			
Net Investment in Capital Assets	6,575	12,560	(5,985)
Unrestricted	(1,756,977)	(1,643,102)	(113,875)
Total Net Position	($1,750,402)	($1,630,542)	($119,860)

Table 2 - Changes in Net Position

	June 30, 2023	June 30, 2022	Change
Operating Revenues			
Total Operating Revenues	$8,950,999	$8,250,729	$700,270
Operating Expenses			
Total Operating Expenses	9,070,859	7,774,866	(1,295,993)
Increae/(Decrease) in Net Position	(119,860)	475,863	(595,723)

Governmental Program Revenues were more than expenses from governmental activities for the period. Grant Revenue is not recognized as earned until the expenditure has occurred.

THE ASSOCIATIONS' FUND

As noted earlier, the Association uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Association's governmental fund is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing Association's requirements. In particular, undesignated fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Association's governmental fund reported an ending fund balance of $400,579. As the Association only has one governmental fund, the analysis from a fund perspective is similar to the analysis already presented on a government-wide basis, exclusive of generally accepted accounting differences between the two sets of statements which is the recording of capital assets, net pension liability/asset and related deferred inflows/outflows of resources.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Association's annual budget is primarily a management tool that assists its users in analyzing financial activity for its fiscal year ending June 30, 2023. Association's primary funding source is federal and state grants, which have grant periods that may or may not coincide with the Agency's fiscal year. Due to the nature of Association's dependency on federal and state budgetary decisions, revenue estimates are based upon the best available information as to potential sources of funding.

Association's annual budget differs from that of a local government in two respects. First the uncertain nature of grant awards from other entities and second conversion of grant budgets to a fiscal year basis. The resultant annual budget is subject to constant change within the fiscal year due to increases/decreases in actual grant awards from those estimated, changes in grant periods, unanticipated grant awards not included in the budget and expected grant awards which fail to materialize.

The Association's annual budget for the General Fund are reviewed by the Executive Council, however it is not a legally adopted budget.

Actual revenues and expenses for fiscal year 2023 were well within budgeted levels and consistent with previous periods. As the fiduciary agent of taxpayer funds, the Association diligently searches for new and more efficient methods to reduce and/or contain operating expenses. The Association's goal continues to be to serve the maximum customers with the allocations available.

CAPTIAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the Association had $332,302 invested in capital assets as reflected in the following table, which represents a decrease of $51,123 from the previous period.

Table 3 - Capital Assets at Year-End (Net of Depreciation/Amortization)

	June 30, 2023	June 30, 2022	Change
Equipment and Furniture	$332,302	$383,425	($51,123)
Total Capital Assets	$332,302	$383,425	($51,123)

See Note 5 for additional information on capital assets.

Debt

The Association had a lease outstanding in the amount of $325,727 at June 30, 2023.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Significant economic factors affecting the Association are as follows:

- Federal Workforce Innovation & Opportunity Act funding through the U.S. Department of Labor
- National, State and Local Unemployment rates
- National, State and Local Poverty and Income Levels
- Inflationary pressure on training, services, supplies and other program and operational costs.

Association's program allocations are calculated by Ohio Department of Job & Family Services (ODJFS) based on a formula specified in the Workforce Innovation and Opportunity Act. This formula considers various economic factors including income levels and unemployment rates.

GASB 68 NET PENSION LIABILITY and GASB 75 OPEB LIABILITY

For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Association's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, 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 accounting; however, the nature of Ohio's statewide pension/OPEB systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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 OPEB liability.

As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, 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 pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and 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 Association's statements prepared on an accrual basis of accounting include an annual pension expense and 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.

WDB DIRECTOR'S MESSAGE

Program Year 2022 (PY22) Area 17 felt the effects of an almost 17% allocation reduction in WIOA funding. This added a burden to MCTA to continue providing serves without replacing staff when positions were vacated, resulting in higher caseloads since the needs for training services remained the same. This again required the management team to review operational capacity and identify what was needed to continue seamless service delivery for customers.

The continual strategic planning efforts have consistently enabled MCTA to maintain the appropriate staffing levels to provide the highest level of service delivery within our specific budgetary constraints.

The Association also continued its focus on increasing short-term training opportunities. This not only contributed to cost savings, but also allowed for more customers to be served. Through proper services and follow-up, the Association was also able to meet and/or exceed all federal WIOA performance measures.

The area recognized new growth with additive manufacturing, 5G efforts, and the upcoming Electric Vehicles (EV's). Coordinated efforts with the local Business Advisory Councils, the Regional Workforce Coalition, and State approved Business Resource Grants in our Mahoning Valley Region help the business services team remain focused on employment needs of local employers still seeking skilled workers to meet their occupational requirements.

Through the efforts of the Association Business Services Representatives, as well as greater collaboration with local economic development agencies, employers have increased their usage of services provided by the workforce development system.

Entering Program Year 2023 (PY23), Area 17 will continue to focus on the Workforce Innovation & Opportunity Act (WIOA) career and training services and the Comprehensive Case Management and Employment Program (CCMEP). WIOA maintains the One-Stop delivery system as well as Adult, Youth and Dislocated Worker funding streams. Our pro-active approach to partner collaboration and service delivery will continue.

Strategic planning, effective management, excellent customer service and relationship building were key factors in our success and will continue to be important as we move forward.

All MCTA staff should take great pride in the accomplishments they have made toward the overall goals of the agency. MCTA remains a recognized leader in workforce development initiatives within the State of Ohio and has gained attention on the national level. By staying consistent with our "continuous improvement" philosophy, we will continue to move forward and realize success in PY23.

One-Stop System:

The OhioMeansJobs centers focused on connecting individuals and employers to impact their specific employment needs. With concentrated attention to the challenges of addiction, disability and poverty, staff enrolled 462 individuals in job training. Of those, 114 received on-the-job training as an expedited path to employment. Overall, more than 6,900 individuals visited the OhioMeansJobs centers in Mahoning and Columbiana Counites for career services. Over 200 employers sought staff assistance for recruitment of qualified workers. Fifteen employers utilized the on-the job training program to hire new employees.

In the current year of implementation of the Comprehensive Case Management and Employment Program, over 550 low-income youth were enrolled for services. Completion of a comprehensive assessment and ongoing case management by staff prompt individual activities aimed at ending the cycle of poverty and preparing an emerging workforce for the benefit of Ohio's economy.

CONTACTING THE ASSOCIATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customer and creditors with a general overview of the Association's finances and to show the Association's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mahoning and Columbiana Training Association, Attention: Fiscal Agent/Chief Financial Officer, at 721 Boardman-Canfield Road, Boardman, OH 44512.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS	
Equity in Pooled Cash and Cash Equivalents	$ 597,267
Accounts Receivable	53,330
Intergovernmental Receivable	238,972
Prepaid Expenses	180,053
Capital Assets, Net	332,302
Total Assets	1,401,924
DEFERRED OUTFLOWS OF RESOURCES	
Pension	1,196,758
OPEB	212,961
Total Deferred Outflows of Resources	1,409,719
LIABILITIES	
Current Liabilities:	
Accounts Payable	281,811
Accrued Wages and Benefits	53,181
Lease Payable - Due in One Year	45,851
Unearned Grant Revenue	334,051
Total Current Liabilities	714,894
Noncurrent Liabilities:	
Accrued Compensated Absences	$ 183,273
Lease Payable - Due in More than One Year	279,876
Net Pension Liability	3,260,925
Net OPEB Liability	71,879
Total Noncurrent Liabilities	3,795,953
Total Liabilities	4,510,847
DEFERRED INFLOWS OF RESOURCES	
Pension	25,322
OPEB	25,876
Total Deferred Inflows of Resources	51,198
NET POSITION	
Net Investment in Capital Assets	6,575
Unrestricted (Deficit)	(1,756,977)
Total Net Position	$ (1,750,402)

The accompanying notes to the basic financial statements are an integral part of these statements.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	Expenses	Program Revenue Operating Grants and Contributions	Net (Expenses) Revenue and Changes In Net Position Governmental Activities
Governmental Activities:			
Employment and Training Program Costs	$ 9,066,840	$ 8,950,999	$ (115,841)
Interest and Fiscal Charges	4,019	0	(4,019)
Total Governmental Activities	9,070,859	8,950,999	(119,860)
Change in Net Position			(119,860)
Net Position (Deficit) Beginning of Year			(1,630,542)
Net Position (Deficit) End of Year			$ (1,750,402)

The accompanying notes to the basic financial statements are an integral part of these statements.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
BALANCE SHEET - GOVERNMENTAL FUND
JUNE 30, 2023

ASSETS	
Equity in Cash and Cash Equivalents	$ 597,267
Accounts Receivable	53,330
Intergovernmental Receivable	238,972
Prepaid Expenses	227,182
TOTAL ASSETS	$ 1,116,751
LIABILITIES	
Accounts Payable	$ 218,034
Accrued Wages and Benefits	164,087
Unearned Grant Revenue	334,051
TOTAL LIABILITIES	716,172
FUND BALANCE	
Non Spendable:	
Prepaid Expenses	227,182
Restricted	173,397
Total Fund Balance	400,579
TOTAL LIABILITIES AND FUND BALANCE	$ 1,116,751

The accompanying notes to the basic financial statements are an integral part of these statements.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023

Total Governmental Fund Balances		$ 400,579
Amount reported for governmental activities in the statement of net position are different because:		
Long-term leave liabilities do not require current financial resources, therefore are not reported as expenses in the governmental funds.		
Compensated Absences	(183,273)	
Leases	(325,727)	
Total		(509,000)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		332,302
Some liabilities/assets, including net pension and OPEB obligations, are not due and payable in the current period and, therefore, are not reported in the funds.		
Pension	(3,260,925)	
OPEB (Asset)	(71,879)	
Total		(3,332,804)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions:		
Pension	1,196,758	
OPEB	212,961	
Total		1,409,719
Deferred inflows of resources related to pensions and OPEB:		
Pension	(25,322)	
OPEB	(25,876)	
Total		(51,198)
Net Position of Governmental Activities		$ (1,750,402)

The accompanying notes to the basic financial statements are an integral part of these statements.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUND
JUNE 30, 2023

REVENUE	
Intergovernmental Revenue	$ 8,950,999
Total Revenue	8,950,999
EXPENDITURES	
Human Services:	
Employment and Training Program	8,917,107
Debt Service:	
Principal Retirement	45,138
Interest and Fiscal Charges	4,019
Total Expenses	8,966,264
Net Change in Fund Balance	(15,265)
Fund Balance Beginning of Year	415,844
Fund Balance End of Year	$ 400,579

The accompanying notes to the basic financial statements are an integral part of these statements.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES
AND CHANGE IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
STATEMENT OF ACTIVITIES
JUNE 30, 2023

Net Change in Fund Balance - Total Governmental Funds		$ (15,265)
Amount reported for governmental activities in the statement of activities are different because:		
Some expenses reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Compensated Absences		14,288
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful life as depreciation/amortization expense.		
Depreciation/Amortization		(51,123)
Repayment of long-term lease principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position.		45,138
Governmental funds report district pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension and OPEB benefits earned net of employee contributions are reported as pension and OPEB expense.		
Direct contributions:		
Pension	124,525	
OPEB	0	
Total		124,525
Cost of benefits earned net of employee contributions:		
Pension	(349,182)	
OPEB	111,759	
Total		(237,423)
Change in Net Position of Governmental Activities		$ (119,860)

The accompanying notes to the basic financial statements are an integral part of these statements.

NOTE 1: REPORTING ENTITY

President Barack Obama signed the Workforce Innovation and Opportunity Act (WIOA) into law on July 22, 2014. WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. Congress passed the Act by a wide bipartisan majority; it is the first legislative reform in 15 years of the public workforce system.

WIOA supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. In general, the Act takes effect on July 1, 2015, the first full program year after enactment, unless otherwise noted.

The State of Ohio Department of Job and Family Services is the State Agency designated as the State Workforce Investment Board to oversee the state plan in implementing the WIOA program. The Governor designated Mahoning County and Columbiana County as a single service delivery area to serve economically disadvantaged individuals and individuals facing barriers to employment. The chief elected officials of Mahoning and Columbiana Counties have established the Mahoning and Columbiana Training Association (Association) to develop and implement programs under the Workforce Innovation Opportunity Act. Any liabilities incurred by the programs are ultimately the responsibility of the county commissioners.

Mahoning and Columbiana Training Association is a Regional Council of Governments consisting of Mahoning and Columbiana Counties.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the financial statements of Association.

A. Basis of Presentation

The accompanying basic financial statements comply with the provision of Governmental Accounting Standards Board (GASB) Statement 14, the Financial Reporting Entity, in that the financial statements include all Association, activities and functions for which the Association is financially accountable. This report includes all activities considered by management to be part of the Association by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards. The Association has no component units.

Section 2100 indicates that the reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity.

It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's government body and either it is able to impose its will on those organizations or there is a potential for the organizations to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on organizations if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organizations. A financial benefit or burden relationship exists if the primary government a) is entitled to the organization's resources; b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organizations; or c) is obligated in some manner for the debt of the organizations.

Management believes the financial statements included in this report represent all of the funds of the Association over which the Association is financially accountable.

B. Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the organization as a whole. These statements include the financial activities of the primary government. All activities of the Association are governmental activities.

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide Financial Statements (Continued)

Fund Financial Statements
Fund financial statements report detailed information about the organization. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. The Association has only one fund which is major.

Fund Accounting

The financial reporting practices of Association conform to accounting principles generally accepted in the United States of America as applicable to local governments.

The accounts of the Association are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenses.

Association major governmental fund is:

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

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements
The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the Association are included on the Statement of Net Position.

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Association, available means expected to be received within 60 days of fiscal year end.

Non-exchange transactions, in which the Association receives value without directly giving equal value in return, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Association must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the Association on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources such as grants and investment earnings are considered to be both measurable and available at fiscal year end.

Deferred Outflows and Inflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

E. Capital Assets

Capital Assets include furniture, fixtures, and equipment purchased by the Association. At the time of purchase, such assets are recorded as expenditures in the Governmental Funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

The Association capitalization policy is to depreciate all non-expendable personal property having a useful life of more than one year and purchase price of $5,000 or more per unit. Depreciation/amortization is computed using the straight-line method over the estimated useful life of five years.

F. Budgetary Process

Association annual budget is primarily a management tool that assists its users in analyzing financial activity for its fiscal year ending June 30th.

Association primary funding source is federal and state grants, which have grant periods that may or may not coincide with the agency's fiscal year. These grants normally are for a twenty-four month period, with a fiscal year ending June 30th.

Due to the nature of the Association's dependency on federal and state budgetary decisions, revenue estimates are based upon the best available information as to potential sources of funding. The Association's annual budget differs from that of a local government in two respects:

1) The uncertain nature of grant awards from other entities.

2) Conversion of grant budgets to a fiscal year basis.

The resultant annual budget is subject to constant change within the fiscal year due to:

- Increases/decreases in actual grant awards from those estimated;
- Changes in grant periods;
- Unanticipated grant awards not included in the budget; and
- Expected grant awards, which fail to materialize.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Executive Council reviews the annual budget, but greater emphasis is placed on complying with the grant budget, terms and conditions on a grant-by-grant basis. These terms and conditions usually specify the period during which costs may be incurred and outline budget restrictions or allowances.

Although the annual budget for the General Fund is reviewed by the Executive Council, it is not a legally adopted budget.

G. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. Cash and Cash Equivalents

To improve cash management, all cash received by the Association is pooled in a central bank account. Monies for all funds are maintained in the account or temporarily used to purchase short term investments. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents” on the financial statements.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the Association are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

I. Prepaid Items

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

J. Fund Balance Designation

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

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Assigned - Amounts in the assigned classification are intended to be used by the Association for specific purposes but do not meet the criteria to be classified as restricted or committed.

In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Commissioners.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

K. Net Position

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

L. Pensions/Other Postemployment Benefits (OPEB)

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

NOTE 3: DEPOSITS AND INVESTMENTS

State statutes classify monies held by the Association into three categories.

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

Inactive deposits are public deposits identified as not required for use within the current two-year period of designation of depositories.

Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit, maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

Protection of Association deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by collateral held by Association or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

At fiscal year end, the carrying amount of the Association deposits was $597,267 and the bank balance was 631,458. Based on the criteria described in GASB Statement No. 40, “Deposit and Investment Risk Disclosure,” as of June 30, 2023, $381,458 was exposed to custodial risk as discussed below, while $250,000 was covered by the federal deposit insurance.

NOTE 3: DEPOSITS AND INVESTMENTS - continued

Custodial credit risk is the risk that in the event of bank failure, the Association will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Authority.

Investments – Association had no investments as of June 30, 2023.

NOTE 4: UNEARNED GRANT REVENUE

As part of year end process with Ohio Department of Job and Family Service is to perform a reconciliation to identify for each grant the funds that were over or under advanced during the fiscal year. The net balance for the year ended June 30, 2023 was an under advance of $95,079:

Grant	Intergovernmental Receivable	Unearned Revenue	(Unearned Revenue)/ I/G Receivable
TANF Administration	$ 31,539	$ -	$ 31,539
WIO Administration	12,655	-	12,655
Adult	82,862	-	82,862
Dislocated Worker	31,850	-	31,850
Youth WIOA CCMEP	13,823	(178,305)	(164,482)
Youth TANF CCMEP	11,848	(95,138)	(83,290)
Ohio to Work	-	(56,688)	(56,688)
Fresh Start	27,675	-	27,675
OMJ	22,389	-	22,389
BRN	4,331	(3,920)	411
Total	$ 238,972	$ (334,051)	$ (95,079)

NOTE 5: CAPITAL ASSETS

A summary of the changes in capital assets during the year ended June 30, 2023, follows:

	Balance 6/30/2022	Additions	Deductions	Balance 6/30/2023
Furniture, Fixtures and Equipment	235,298	0	-	235,298
Intangible Right to Use Asset - Buildings	511,233	0	0	511,233
Historical cost	746,531	0	0	746,531
Less Accumulated Depreciation/Amortization				
Furniture and Equipment	(235,298)	0	-	(235,298)
Intangible Right to Use Asset - Buildings	(127,808)	(51,123)	0	(178,931)
Total Accumulated Depreciation/Amortization	(363,106)	(51,123)	-	(414,229)
Total Capital Assets, being Depreciated, Net	383,425	(51,123)	-	332,302

All of the current year depreciation total of $51,123 is presented on the Statement of Activities related to the Association's intangible asset of buildings, which is included in the table above as an Intangible Right to Use Lease. With the implementation of GASB Statement No. 87, *Leases,* a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

NOTE 6: DEFINED BENEFIT PENSION PLAN

Net Pension Liability (Asset)

Pensions are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions 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 net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions - between an employer and its employees of salaries and benefits for employee services. Pensions 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 liability represents the Association's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability 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 this estimate annually.

The Association's share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting.

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

GASB 68 assumes the liability is solely the obligation of employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting.

Ohio Public Employees Retirement System (OPERS).

The Association participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans as described below:

1. The Traditional Pension Plan – A cost sharing, multiple-employer defined benefit pension plan.

2. The Member-Direct Plan – A defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Direct Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions, plus any investment earnings.

3. The Combined Plan – A cost sharing, multiple-employer defined pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefits similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of both the Traditional Pension and Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting https://www.opers.org/investments/cafr.shtml, writing to OPERS, 277 E. Town Street, Columbus, Ohio 43215-4642 or by calling 1-800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections.

Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits.

The amount available for defined contribution benefits in the member directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the member's investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitation), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
FY23 Statutory Maximum Contribution Rates	
Employer	14.0%
Employee *	10.0%
FY23 Actual Contribution Rates	
Employer:	
Pension **	14.0%
Post-Employment Health Care Benefits	0.0%
Total Employer	14.0%
Employee	10.0%

*Member contributions within combined plan are not used to fund the defined benefit retirement allowance.

**These pension and employer health care rates are for the traditional & combined plans. The employer contribution rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Association's contractual required contribution was $124,525 for 2022.

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 December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. the Association's proportion of the net pension liability was based on the Association's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	Traditional
Proportionate Share of the Net Pension Liability/(Asset)	$3,260,925
Proportion of the Net Pension Liability/(Asset) Prior Measurement Date	0.01119200%
Proportion of the Net Pension Liability/(Asset) Current Measurement Date	0.01103900%
Change in Proporationate Share	-0.00015300%
Pension Expense	$349,182

At June 30, 2023, the Association reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional
Deferred Outflows of Resources	
Differences between expected and actual experience	$108,314
Investment Earnings	$929,468
Change of Assumptions	34,451
MCTA contributions subsequent to the measurement date	124,525
Total Deferred Outflows of Resources	$1,196,758
Deferred Inflows of Resources	
Differences between expected and actual experience	$0
Change in Proportionate Share	25,322
Total Deferred Inflows of Resources	$25,322

$124,525 reported as deferred outflows of resources related to pension resulting from the Association's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional
Fiscal Year Ending June 30:	
2024	$106,584
2025	211,424
2026	273,586
2027	455,317
Total	$1,046,911

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification 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. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions:

Wage Inflation	2.75 Percent
Future Salary Increases, Including Inflation	2.75 Percent to 10.75 Percent Including Wage Inflation
COLA or Ad hoc COLA	Pre 1/7/2013 retirees: 3 Percent Simple; Post 1/7/2013 retirees: 3 Percent Simple through 2023, then 2.05 Percent Simple
Current Measurement Period - Investment Rate of Return	6.90 Percent
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 12.1 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	22.00 %	2.62 %
Domestic Equities	22.00	4.60 %
Real Estate	13.00	3.27 %
Private Equity	15.00	7.53 %
International Equities	21.00	5.51 %
Risk Parity	2.00	4.37 %
Other Investments	5.00	3.27 %
Total	100.00 %	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Association's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 6.9 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.9 percent), or one percentage point higher (7.9 percent) than the current rate.

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
MCTA's Proportionate Share of the Net Pension Liability:			
Traditional	$ 4,884,758	$ 3,260,925	$ 1,910,189

NOTE 7: ***DEFINED BENEFIT OTHER POSTEMPLOYMENT (OPEB) BENEFIT PLANS***

Net OPEB Liability

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

The net OPEB liability (asset) reported on the statement of net position represents a liability (asset) to employees for OPEB. OPEB is a component of exchange transactions-between an employer and its employees-of salaries and benefits for employee services.

OPEB is 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability (asset) represents the Association's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net 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 Association's share of each plan's unfunded benefits is presented as a long-term *net other postemployment benefit liability (asset)* on the accrual basis of accounting.

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Plan Description

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The Ohio Revised Code permits but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222- 5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For fiscal year 2023, the Association's contractually required contribution was $0.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred inflows of Resources Related to OPEB

The net OPEB liability for OPERS was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Association's proportion of the net OPEB liability was based on the Association's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportionate Share of the Net OPEB Liability/(Asset)	$71,879
Proportion of the Net OPEB Liability/(Asset) Prior Measurement Date	0.01151300%
Proportion of the Net OPEB Liability/(Asset) Current Measurement Date	0.01140000%
Change in Proporationate Share	-0.00011300%
OPEB Expense	($111,759)

At June 30, 2023, the Association reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Traditional
Deferred Outflows of Resources	
Investment Earnings	$142,756
Change of Assumptions	$70,205
Total Deferred Outflows of Resources	$212,961
Deferred Inflows of Resources	
Differences between expected and actual experience	$17,930
Change of Assumptions	5,776
Change in Proportionate Share	2,170
Total Deferred Inflows of Resources	$25,876

The were no contributions subsequent to the measurement date that will be recognized as a reduction pf the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

	OPERS
Fiscal Year Ending June 30:	
2024	$21,546
2025	52,059
2026	44,516
2027	68,964
Total	$187,085

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74.

Key Methods and Assumptions used in Valuation of the Total OPEB Liability (Asset):

Wage Inflation	2.75 Percent
Projected Salary Increases	2.75 - 10.75 Percent (includes wage inflation)
Single Discount Rate:	
Current Measurement Period	5.22 Percent
Prior Measurement Period	6.0 Percent
Investment Rate of Return	6.00 Percent
Municipal Bond Rate:	
Current Measurement Period	4.05 Percent
Prior Measurement Period	2.0 Percent
Health Care Cost Trend Rate:	
Current Measurement Period	5.50 Percent initial, 3.50 Percent ultimate in 2036
Prior Measurement Period	8.50 Percent initial, 3.50 Percent ultimate in 2035

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions.

For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60 %
REIT's	7.00	4.70 %
International Equities	25.00	5.51 %
Risk Parity	2.00	4.37 %
Other Investments	6.00	1.84 %
Total	100.00 %	

Discount Rate. A single discount rate of 5.52 percent was used to measure the OPEB liability (asset) on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00% Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.0 percent and a municipal bond rate of 4.05 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Association'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, and to illustrate the potential impact the following table presents the net OPEB liability calculated using he discount rate of 5.22 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.22 percent), or one percentage point higher (6.22 percent) than the current rate.

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
MCTA's Proportionate Share of the Net OPEB Liability (Asset):	$ 244,644	$ 71,879	$ (70,680)

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates, and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
MCTA's Proportionate Share of the Net OPEB Liability (Asset):	$ 67,374	$ 71,879	$ 76,950

NOTE 8: COMPENSATED ABSENCES

All full-time employees of Association earn vacation and sick leave at varying rates depending on length of service. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with Association.

The following schedule details earned vacation leave based on length of service:

Years of Employment	Vacation Leave
1 – 7 years	80 hours
8 – 14 years	120 hours
15 – 24 years	160 hours
25+ years	200 hours

Employees are encouraged to use vacation annually. Employees may accumulate and carryover vacation leave not to exceed three times the accumulation rate.

Full-time employees earn 4.62 hours of sick leave per each completed 80 hours of service. There are no limits set on the amount of sick leave hours that can be accumulated. All full-time employees are paid for unused sick hours upon termination of employment according to the following:

Years of Employment	Amount Paid	Maximum Payable
Less than 5 years	None	None
5 – 7 years	50%	30 days
8+ years	50%	180 days

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences,* vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement.

Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

As of June 30, 2023, the liability for unpaid, compensated absences was $183,273. The entire compensated leave liability amount was reported as noncurrent liability.

NOTE 9: QUESTIONED OR DISALLOWED COSTS

There are no expenditures recommended for disallowance. Costs recommended for disallowance are those involving expenditures for which existing documentary evidence leads the auditor to conclude that the expenditures were in violation of legislative or regulatory requirements. These costs are disallowed by the Grantor unless the grantee is able to convince the Grantor that they were made in accordance with legal or regulatory requirements.

There are no expenditures listed as questionable. Questionable costs are those involving the lack of or inadequacy of documentary support. Findings containing questionable costs do not necessarily mean that the costs were for improper purposes; but there was insufficient documentary evidence to allow a determination of their eligibility.

NOTE 10: INSURANCE AND RISK MANAGEMENT

The Association is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2023, the Association contracted with several companies for various types of insurance as follows:

Company	Type of Coverage	Deductible
Cincinnati Insurance Company	General Liability	$ 500.00
Markel Insurance Company	Blanket Accident Policy	$ 0.00
Philadelphia Insurance Company	Blanket Employee Bond	$ 0.00

The Association pays the State Worker's Compensation system a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs.

The Association continued to carry commercial insurance for other risks of loss, including employee health and life insurance. Settled claims resulting from the above noted risk have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 11: LONG TERM LIABILITIES

The Association has entered into a lease for office space and the One-Stop operation. During fiscal year 2023 the following changes occurred in the lease and other long-term obligations.

	Outstanding 6/30/22	Additions	Deductions	Outstanding 6/30/23	Amounts Due in One Year
Long-Term Obligations:					
Leases	370,865	0	(45,138)	325,727	45,851
Compensated Absences	197,561	0	(14,288)	183,273	0
Total Before Net Pension & OPEB	568,426	0	(59,426)	509,000	45,851
Net Pension Liability:					
OPERS	973,749	2,287,176	0	3,260,925	0
Net OPEB Liability:					
OPERS	0	71,879	0	71,879	0
Total Long-Term Obligations	$1,542,175	$2,359,055	($59,426)	$3,841,804	$45,851

The Association entered into a lease agreement for office space in a previous fiscal year. Due to the implementation of GASB Statement No. 87, this lease has met the criteria of a lease thus requiring them to be recorded by the Association. The lease will be amortized over the lease term since it is shorter than the useful life due to the Association not taking ownership. A summary of the principal and interest amounts remaining for the lease are as follows:

Fiscal Year Ending June 30,	Lease 2020 Office Space Principal	Interest	Total
2024	$46,851	$2,306	$49,157
2025	48,105	2,036	50,141
2026	45,250	7,839	53,089
2027	46,967	6,122	53,089
2028	48,749	4,340	53,089
2029-2030	89,805	3,102	92,907
Total	$325,727	$25,745	$351,472

The Association pays obligations related to employee compensation from the general fund.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
June 30, 2023

Required Supplementary Information
Schedule of MCTA's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System (OPERS) - Traditional Plan
Last Ten Fiscal Years (1)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
MCTA's Proportion of the Net Pension Liability	0.01103900%	0.01119200%	0.01141700%	0.01090000%	0.00899900%	0.00774000%	0.00826900%	0.01548500%	0.01487000%	0.01487000%
MCTA's Proportion Share of the Net Pension Liability	$3,260,925	$973,749	$1,690,609	$2,154,459	$2,464,644	$1,214,256	$1,877,749	$2,682,197	$1,793,461	$1,752,952
MCTA's Covered-Employee Payroll	$1,862,686	$1,656,914	$1,775,971	$1,541,821	$1,022,877	$1,329,740	$1,284,610	$1,769,208	$1,823,050	$1,810,720
MCTA's Proportion Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	175.07%	58.77%	95.19%	139.73%	240.95%	91.32%	146.17%	151.60%	98.38%	96.81%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Amounts presented as of the MCTA's measurement date which is December 31, 2022.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
June 30, 2023

Required Supplementary Information
Schedule of MCTA Contributions
Ohio Public Employees Retirement System (PERS) - Traditional
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$260,776	$234,932	$231,968	$248,636	$215,855	$132,974	$128,461	$232,071	$212,305	$218,766
Contributions in Relation to the Contractually Required Contribution	($260,776)	($234,932)	($231,968)	($248,636)	($215,855)	($132,974)	($128,461)	($232,071)	($212,305)	($218,766)
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
MCTA Covered-Employee Payroll	$1,862,686	$1,678,086	$1,656,914	$1,775,971	$1,541,821	$1,022,877	$1,070,508	$1,933,925	$1,823,050	$1,682,815
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	11.65%	13.00%

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
June 30, 2023

Required Supplementary Information
Schedule of MCTA's Proportionate Share of the Net OPEB Liability (Asset)
Ohio Public Employees Retirement System (OPERS)
Last Seven Fiscal Years (1)

	2022	2021	2020	2019	2018	2017	2016
MCTA's Proportion of the Net OPEB Liability (Asset)	0.01140000%	0.01151300%	0.01172900%	0.01113200%	0.00909900%	0.00778000%	0.00778000%
MCTA's Proportion Share of the Net OPEB Liability (Asset)	$71,879	($360,605)	($208,962)	$1,537,618	$1,186,295	$844,850	$785,806
MCTA's Covered-Employee Payroll	$1,862,686	$1,656,914	$1,775,971	$1,541,821	$1,022,877	$1,329,740	$1,284,610
MCTA's Proportion Share of the Net OPEB (Asset) Liability as a Percentage of its Covered-Employee Payroll	3.86%	-21.76%	-11.77%	99.73%	115.98%	63.53%	61.17%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	94.79%	128.23%	115.57%	0.00%	46.33%	65.84%	N/A

(1) Information prior to 2017 is not available.

Amounts presented as of the MCTA's measurement date which is December 31, 2021.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
June 30, 2023

Required Supplementary Information
Schedule of MCTA Contributions OPEB
Ohio Public Employees Retirement System (PERS)
Last Nine Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015 (1)
Contractually Required Contribution	$0	$1,983	$1,386	$0	$0	$12,550	$2,187	$3,627	$28,152
Contributions in Relation to the Contractually Required Contribution	$0	($1,983)	($1,386)	$0	$0	($12,550)	($2,187)	($3,627)	($28,152)
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0
MCTA Covered-Employee Payroll	$1,862,686	$1,678,086	$1,656,914	$1,775,971	$1,541,821	$1,255,000	$218,700	$181,350	$1,407,600
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00%	2.00%	2.00%

(1) Information prior to 2015 is not available

Net Pension Liability

Changes in Actuarial Assumptions and Methods - OPERS

There were no changes in the methods and assumptions used in the calculation of actuarially determined contributions during 2022.

Changes in Benefit Terms - OPERS

There were no changes in the benefit terms during 2022.

Net OPEB Liability (Asset)

Changes in Actuarial Assumptions and Methods – OPERS

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

- The single discount rate decreased from 6.00 percent to 5.22 percent.
- The municipal bond rate increased from 2.00 percent to 4.05 percent.
- The initial health care cost trend rate decreased from 8.5 percent to 5.5 percent

Changes in Benefit Terms - OPERS

There were no changes in the benefit terms during 2022.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
MAHONING COUNTY

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

FEDERAL GRANTOR ***Pass Through Grantor*** **Program Title**	**Federal CFDA Number**	**Pass-Through Entity Identifying Number**	**Expenditure**
U.S. DEPARTMENT OF LABOR			
Passed Through Ohio Department of Jobs and Family Services:			
Workforce Investment Act Cluster:			
WIA Adult Program	17.258		
WIA Adult		N/A	$1,275,671
OMJ WIOA Statewide		N/A	964,925
Business Resource		N/A	105,445
Total - WIA Adult			**2,346,041**
WIA Dislocated Worker Formula Grants	17.278		
Dislocated Worker		N/A	990,450
OMJ Rapid Response		N/A	2,088
Total - Dislocated Worker			**992,538**
WIA Youth Activities	17.259		
Youth		N/A	1,709,697
Youth - Administration			132,049
Total - WIA Youth			**1,841,746**
Total WIA Cluster			**5,180,325**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Ohio Department of Jobs and Family Services:			
Temporary Assistance for Needy Families (TANF)	93.558	N/A	2,651,511
TANF Administration			220,772
Total TANF			**2,872,283**
Opioid Grant Assistance	17.277	N/A	324,525
COVID-19 Opioid Grant Assistance	17.277	N/A	330,000
Opioid Grant Assistance-Admin	17.277	N/A	
Total Opioid			**654,525**
Wagner Peyser	17.207	N/A	54,211
RESEA	17.225	N/A	165,598
Trade Adjustment Assistance for Workers	17.245	N/A	8,662
Total Passed through Ohio Department of Jobs and Family Services			**$8,935,604**

The accompanying notes are an integral part of this schedule.

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
MAHONING COUNTY

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

NOTE A- BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Government has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - SUBRECIPIENTS

The Government passes certain federal awards received from Ohio Department of Job and Family Services to other governments or not-for-profit agencies (subrecipients). As Note B describes, the Government reports expenditures of Federal awards to subrecipients when accrued.

As a subrecipient, the Government has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals. The Government did not provide funds to subrecipients during the audit period.

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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 and Columbiana Training Association
721 Boardman-Canfield Road
Boardman, Ohio 44512

To the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Mahoning and Columbiana Training Association , as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Mahoning and Columbiana Training Association's (MCTA) basic financial statements and have issued our report thereon dated February 26, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Mahoning and Columbiana Training Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Mahoning and Columbiana Training Association's internal control. Accordingly, we do not express an opinion on the effectiveness of Mahoning and Columbiana Training Association's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Mahoning and Columbiana Training Association'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

CANTER & ASSOCIATES

Poland, Ohio

February 26, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Mahoning and Columbiana Training Association
721 Boardman-Canfield Road
Boardman, Ohio 44512

To the Board of Directors:

Report on Compliance for The Major Federal Program

Opinion on The Major Federal Program

We have audited Mahoning and Columbiana Training Association's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Mahoning and Columbiana Training Association's major federal program for the year ended June 30, 2023. Mahoning and Columbiana Training Association's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings.

In our opinion, Mahoning and Columbiana Training Association, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on The Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 and Columbiana Training Association 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 and Columbiana Training Association'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 and Columbiana Training Association's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Mahoning and Columbiana Training Association'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 and Columbiana Training Association's compliance with the requirements of its 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 and Columbiana Training Association'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 and Columbiana Training Association'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 and Columbiana Training Association'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.

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.

Canter & Assoc

CANTER & ASSOCIATES

Poland, Ohio

February 26, 2024

MAHONING AND COLUMBIANA TRAINING ASSOCIATION
MAHONING COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	UNMODIFIED
(d)(1)(ii)	**Were there any material control weaknesses reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material internal control weaknesses reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	UNMODIFIED
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	CFDA # 17.258, 17.259, & 17.278 WIOA Investment Act Cluster
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE
KEITH FABER

MAHONING AND COLUMBIANA TRAINING ASSOCIATION

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 4/18/2024