PATRICK HENRY LOCAL SCHOOL DISTRICT
HENRY COUNTY

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

OHIO AUDITOR OF STATE
KEITH FABER

PATRICK HENRY LOCAL SCHOOL DISTRICT
HENRY COUNTY
JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Patrick Henry Local School District
Henry County
6900 State Route 18
Hamler, Ohio 43524-9781

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Patrick Henry Local School District, Henry County, Ohio (the School District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Patrick Henry Local School District, Henry County, Ohio as of June 30, 2023, and the respective changes in financial position thereof and the budgetary comparison for the General fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

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

Supplementary information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2024, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

January 24, 2024

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The discussion and analysis of Patrick Henry Local School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Highlights

Highlights for fiscal year 2023 are as follows:

In total, net position increased $3,270,236 or almost 24 percent, from the prior fiscal year.

General revenues were $16,402,884 for fiscal year 2023, or 83 percent of total revenues, and reflect the School District's significant dependence on property taxes and income taxes as well as unrestricted state entitlements.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand Patrick Henry Local School District as a financial whole, or as an entire operating entity.

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

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, with all other nonmajor funds presented in total in a single column. For Patrick Henry Local School District, the General Fund and the Bond Retirement debt service fund are the most significant funds.

Reporting the School District as a Whole

The statement of net position and the statement of activities reflect how the School District did financially during fiscal year 2023. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

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

In the statement of net position and the statement of activities, all of the School District's activities are reflected as governmental activities including instruction, support services, non-instructional services, extracurricular activities, and intergovernmental activities.

Reporting the School District's Most Significant Funds

Fund financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's major funds are the General Fund and the Bond Retirement debt service fund.

Governmental Funds - All of the School District's activities are reported in governmental funds which focus on how monies flow into and out of those funds and the balances left at fiscal year end for spending in future periods. These funds are reported using 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 School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

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

The School District as a Whole

Table 1 provides a summary of the School District's net position for fiscal year 2023 and fiscal year 2022:

Table 1
Net Position

	Governmental Activities		
	2023	2022	Change
Assets:			
Current and Other Assets	$26,488,273	$24,763,566	$1,724,707
Net OPEB Asset	1,049,111	844,799	204,312
Capital Assets, Net	35,330,249	34,855,611	474,638
Total Assets	62,867,633	60,463,976	2,403,657

(continued)

Table 1
Net Position
(continued)

	Governmental Activities		
	2023	2022	Change
Deferred Outflows of Resources:			
Pension	$2,899,844	$2,918,217	($18,373)
OPEB	344,556	425,368	(80,812)
Other Amounts	706,079	716,943	(10,864)
Total Deferred Outflows of Resources	3,950,479	4,060,528	(110,049)
Liabilities:			
Current and Other Liabilities	2,106,403	1,868,474	(237,929)
Long-Term Liabilities			
Pension	11,779,584	7,051,101	(4,728,483)
OPEB	730,350	1,015,634	285,284
Other Amounts	26,500,643	27,932,818	1,432,175
Total Liabilities	41,116,980	37,868,027	(3,248,953)
Deferred Inflows of Resources:			
Pension	1,042,462	5,559,462	4,517,000
OPEB	1,728,600	1,571,004	(157,596)
Other Amounts	5,809,374	5,675,551	(133,823)
Total Deferred Inflows of Resources	8,580,436	12,806,017	4,225,581
Net Position:			
Net Investment in Capital Assets	10,921,479	9,412,402	1,509,077
Restricted	1,582,188	1,486,114	96,074
Unrestricted	4,617,029	2,951,944	1,665,085
Total Net Position	$17,120,696	$13,850,460	$3,270,236

The net pension liability and net OPEB liability (asset) reported by the School District at June 30, 2023, is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", respectively. For reasons discussed below, end users of these financial statements will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability (asset) to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

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

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

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

Aside from the changes related to pension/OPEB, there were several other changes of note in the above table. The increase in current and other assets was primarily an increase in property taxes receivable. There was a significant increase in delinquent taxes at fiscal year-end due to the delay in payment from a large taxpayer. While there was not a significant increase in capital assets, net of accumulated depreciation/amortization, the resurfacing of the football field, new flooring in the middle school, and wall panels in the music room were completed during fiscal year 2023. There was an increase in current and other liabilities due to unearned revenue for an Ohio Facilities Construction Commission Safety grant received but unspent at fiscal year end. The decrease in other long-term liabilities represents scheduled debt retirement.

Table 2 reflects the change in net position for fiscal year 2023 and fiscal year 2022.

Table 2
Change in Net Position

	Governmental Activities		
	2023	2022	Change
Revenues:			
Program Revenues			
Charges for Services	$866,307	$556,570	$309,737
Operating Grants and Contributions	2,319,277	2,113,006	206,271
Capital Grants and Contributions	252,290	0	252,290
Total Program Revenues	3,437,874	2,669,576	768,298
General Revenues			
Property Taxes	7,633,302	6,727,343	905,959
Income Taxes	2,925,067	2,620,004	305,063
Grants and Entitlements	5,197,142	5,176,273	20,869
Investment Earnings and Other Interest	433,165	41,353	391,812
Gifts and Donations	12,935	1,250	11,685
Miscellaneous	201,273	265,223	(63,950)
Total General Revenues	16,402,884	14,831,446	1,571,438
Total Revenues	19,840,758	17,501,022	2,339,736

(continued)

Table 2
Change in Net Position
(continued)

	Governmental Activities 2023	2022	Change
Expenses:			
Instruction:			
Regular	$6,256,366	$5,748,633	($507,733)
Special	2,468,317	2,089,605	(378,712)
Vocational	37,734	41,047	3,313
Support Services:			
Pupils	996,787	855,215	(141,572)
Instructional Staff	224,743	207,465	(17,278)
Board of Education	17,580	29,478	11,898
Administration	1,087,698	918,900	(168,798)
Fiscal	635,448	498,646	(136,802)
Business	126,568	106,958	(19,610)
Operation and Maintenance of Plant	1,265,539	1,100,212	(165,327)
Pupil Transportation	735,961	635,819	(100,142)
Central	567,014	486,154	(80,860)
Non-Instructional Services	530,379	481,537	(48,842)
Extracurricular Activities	816,937	629,247	(187,690)
Intergovernmental	4,430	4,544	114
Interest and Fiscal Charges	799,021	850,616	51,595
Total Expenses	16,570,522	14,684,076	(1,886,446)
Increase in Net Position	3,270,236	2,816,946	453,290
Net Position at Beginning of Year	13,850,460	11,033,514	2,816,946
Net Position at End of Year	$17,120,696	$13,850,460	$3,270,236

Total revenues increased from the prior fiscal year showing revenues are returning to pre-pandemic levels. Program revenues increased overall. The increase in charges for services was largely due to sales (cafeteria sales, music and athletic fees, ticket sales, and gate receipts at musical and athletic events). The increase in operating grants and contributions was due mostly to the recognition of COVID relief funding. The increase in capital grants and contributions is for State funding for bus purchases and gifts and donations for athletic capital improvements. For general revenues, there was an increase in property tax revenue with the increase in delinquent property taxes as mentioned above. Income tax revenues increased at the end of fiscal year 2023, as the local economy remains strong. The increase in investment earnings and other interest is due to higher interest rates and an increase in market values.

Overall, total expenses increased nearly 13 percent. This increase in total expenses was generally due to salary and benefit related increases, as well as an increase in pension and OPEB expenses.

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
Instruction:				
Regular	$6,256,366	$5,748,633	$5,790,993	$5,286,322
Special	2,468,317	2,089,605	1,521,348	1,256,377
Vocational	37,734	41,047	(7,273)	36,406
Support Services:				
Pupils	996,787	855,215	752,989	618,115
Instructional Staff	224,743	207,465	207,952	207,465
Board of Education	17,580	29,478	17,580	29,478
Administration	1,087,698	918,900	1,053,270	906,491
Fiscal	635,448	498,646	632,642	497,945
Business	126,568	106,958	124,911	106,666
Operation and Maintenance of Plant	1,265,539	1,100,212	906,120	993,331
Pupil Transportation	735,961	635,819	425,608	598,213
Central	567,014	486,154	528,140	433,217
Non-Instructional Services	530,379	481,537	13,294	(151,148)
Extracurricular Activities	816,937	629,247	361,623	340,462
Intergovernmental	4,430	4,544	4,430	4,544
Interest and Fiscal Charges	799,021	850,616	799,021	850,616
Total Expenses	$16,570,522	$14,684,076	$13,132,648	$12,014,500

With the substantial contribution of general revenues for funding the School District's activities, only a limited number of activities are affected by program revenues. Instruction costs are partially offset by tuition and fees and grants restricted for various instruction purposes. Non-instructional services costs are supported by cafeteria sales, state and federal subsidies, and donated commodities for food service operations. Extracurricular activities costs are supported by music and athletic fees, ticket sales, and gate receipts at musical and athletic events.

The School District's Funds

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

Fund balance increased in the General Fund almost 4 percent, as revenues increased a little over 2 percent primarily in investment earnings and other interest while expenditures increased near 5 percent for salary and benefits.

Fund balance decreased in the Bond Retirement debt service fund as debt service requirements exceeded property tax and related revenue and resources transferred from other funds for debt payments.

General Fund Budgeting Highlights

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

During fiscal year 2023, the School District amended its General Fund budget as needed. For revenues, changes from the original budget to the final budget revenues were due budgeting conservatively (especially income taxes and interest). The change from the final budget to actual revenues were not significant. For expenditures, changes from the original budget to the final budget were not significant; savings from the final budget to actual expenditures were generally due to conservative budgeting.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2023, the School District had $35,330,249 invested in capital assets (net of accumulated depreciation/amortization). Additions included middle school renovations, bleachers, flooring, football field renovations, a mower, three buses, and various equipment. Disposals consisted of one bus. For further information regarding the School District's capital assets, refer to Note 10 to the basic financial statements.

Debt

At June 30, 2023, the School District had outstanding general obligation bonds, in the amount of $2,140,000, and certificates of participation, in the amount of $23,552,554. In addition, the School District's long-term obligations include the net pension/OPEB liability, compensated absences, and leases payable. For further information regarding the School District's long-term obligations, refer to Note 17 to the basic financial statements.

Current Issues

The School District's current five-year forecast indicates the School District is in a sound financial position throughout fiscal years 2023 through 2027. All of the School District's levies are continuing levies, except for the emergency levy. The emergency levy, originally passed in March 2012 was renewed in March 2015 and again in November 2018 for an additional three years. Since the original passage, the levy has been over collected twice. In October 2015 and October 2018, the County Budget Commission adjusted the millage to offset the over collection. This levy was again renewed in November 2020 for an additional five years.

In the summer of 2019, the School District installed a new HVAC system in the High School gymnasium. This was considered Phase I of a Capital Improvement Plan set forth by the Board of Education and Administration. To continue with the improvement plan, the School District issued new debt in fiscal year 2020. Phase II of the plan included renovating the entire High School and Phase III included a storage building, updating the playground, reworking the sign at the front entry and replacing the bleachers on the stage. Phase IV included resurfacing the football field, new flooring in the Middle School and wall panels in the Music Room. The School District started the renovation of the Athletic Building in the summer of 2023 using a combination of Athletic funds and School District Permanent Improvement funds. This project is still ongoing. Lastly, the School District will be completely resurfacing the track in the summer of 2024.

At the beginning of fiscal year 2023, the School District negotiated a new three-year contract for both certified and classified employees. Both unions received a 2.65 percent increase for 2022-2023, a 2.5 percent increase for 2023-2024, and a 2.5 percent increase for 2024-2025. The School District has been using a traditional based bargaining model of negotiating successfully over the past decade or more and will once again negotiate with both unions in the spring of 2024.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Breanna DeWit, Treasurer, Patrick Henry Local School District, 6900 State Route 18, Hamler, Ohio 43524.

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Patrick Henry Local School District
Statement of Net Position
June 30, 2023

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	$17,188,409
Accounts Receivable	31,738
Accrued Interest Receivable	11,306
Intergovernmental Receivable	270,976
Income Taxes Receivable	1,103,890
Prepaid Items	8,504
Inventory Held for Resale	2,496
Materials and Supplies Inventory	646
Property Taxes Receivable	7,870,308
Net OPEB Asset	1,049,111
Nondepreciable Capital Assets	638,072
Depreciable Capital Assets, Net	34,692,177
Total Assets	62,867,633
Deferred Outflows of Resources:	
Deferred Charge on Refunding	706,079
Pension	2,899,844
OPEB	344,556
Total Deferred Outflows of Resources	3,950,479
Liabilities:	
Accounts Payable	17,413
Accrued Wages and Benefits Payable	1,448,014
Matured Compensated Absences Payable	1,216
Intergovernmental Payable	272,443
Unearned Revenue	300,000
Accrued Interest Payable	67,317
Long-Term Liabilities:	
Due Within One Year	1,416,062
Due in More Than One Year	
Net Pension Liability	11,779,584
Net OPEB Liability	730,350
Other Amounts Due in More Than One Year	25,084,581
Total Liabilities	41,116,980
Deferred Inflows of Resources:	
Property Taxes Receivable	5,809,374
Pension	1,042,462
OPEB	1,728,600
Total Deferred Inflows of Resources	8,580,436
Net Position:	
Net Investment in Capital Assets	10,921,479
Restricted For:	
Debt Service	73,642
Capital Projects	714,026
Classroom Facilities	179,008
Athletics and Music	141,713
Food Service	151,110
Student Activities	73,381
OPEB Plans	238,297
Other Purposes	11,011
Unrestricted	4,617,029
Total Net Position	$17,120,696

See Accompanying Notes to Basic Financial Statements

Patrick Henry Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2023

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Instruction:				
Regular	$6,256,366	$107,758	$357,615	$0
Special	2,468,317	192,216	754,753	0
Vocational	37,734	4,360	40,647	0
Support Services:				
Pupils	996,787	0	243,798	0
Instructional Staff	224,743	0	16,791	0
Board of Education	17,580	0	0	0
Administration	1,087,698	0	34,428	0
Fiscal	635,448	0	2,806	0
Business	126,568	0	1,657	0
Operation and Maintenance of Plant	1,265,539	0	359,419	0
Pupil Transportation	735,961	0	175,353	135,000
Central	567,014	0	38,874	0
Non-Instructional Services	530,379	261,524	255,561	0
Extracurricular Activities	816,937	300,449	37,575	117,290
Intergovernmental	4,430	0	0	0
Interest	799,021	0	0	0
Total Governmental Activities	$16,570,522	$866,307	$2,319,277	$252,290

General Revenues:
Property Taxes Levied for General Purposes
Property Taxes Levied for Classroom Facilities Purposes
Property Taxes Levied for Debt Service
Property Taxes Levied for Permanent Improvements
Income Taxes Levied for General Purposes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings and Other Interest
Gifts and Donations
Miscellaneous
Total General Revenues

Change in Net Position

Net Position Beginning of Year
Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue and Change in Net Position
Governmental Activities
(5,790,993)
(1,521,348)
7,273
(752,989)
(207,952)
(17,580)
(1,053,270)
(632,642)
(124,911)
(906,120)
(425,608)
(528,140)
(13,294)
(361,623)
(4,430)
(799,021)
(13,132,648)
6,748,190
82,268
391,152
411,692
2,925,067
5,197,142
433,165
12,935
201,273
16,402,884
3,270,236
13,850,460
$17,120,696

Patrick Henry Local School District
Balance Sheet
Governmental Funds
June 30, 2023

	General	Bond Retirement	Other Governmental	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	$14,954,344	$547,989	$1,686,076	$17,188,409
Accounts Receivable	31,738	0	0	31,738
Accrued Interest Receivable	11,306	0	0	11,306
Interfund Receivable	174,456	0	0	174,456
Intergovernmental Receivable	71,086	0	199,890	270,976
Income Taxes Receivable	1,103,890	0	0	1,103,890
Prepaid Items	7,966	0	538	8,504
Inventory Held for Resale	0	0	2,496	2,496
Materials and Supplies Inventory	0	0	646	646
Property Taxes Receivable	6,954,086	404,245	511,977	7,870,308
Total Assets	$23,308,872	$952,234	$2,401,623	$26,662,729
Liabilities:				
Accounts Payable	$15,948	$0	$1,465	$17,413
Accrued Wages and Benefits Payable	1,369,736	0	78,278	1,448,014
Matured Compensated Absences Payable	0	0	1,216	1,216
Interfund Payable	0	0	174,456	174,456
Intergovernmental Payable	253,041	0	19,402	272,443
Unearned Revenue	0	0	300,000	300,000
Total Liabilities	1,638,725	0	574,817	2,213,542
Deferred Inflows of Resources:				
Property Taxes Receivable	5,118,712	303,721	386,941	5,809,374
Unavailable Revenue	1,553,875	68,089	138,574	1,760,538
Total Deferred Inflows of Resources	6,672,587	371,810	525,515	7,569,912
Fund Balances:				
Nonspendable	7,966	0	1,184	9,150
Restricted	0	580,424	1,294,666	1,875,090
Committed	0	0	83,927	83,927
Assigned	1,031,978	0	0	1,031,978
Unassigned (Deficit)	13,957,616	0	(78,486)	13,879,130
Total Fund Balances	14,997,560	580,424	1,301,291	16,879,275
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$23,308,872	$952,234	$2,401,623	$26,662,729

See Accompanying Notes to the Basic Financial Statements

Patrick Henry Local School District
Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
June 30, 2023

Total Governmental Fund Balances		$16,879,275
Amounts reported for governmental activities on the statement of net position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		35,330,249
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
Accounts Receivable	26,277	
Accrued Interest Receivable	2,276	
Intergovernmental Receivable	50,067	
Income Taxes Receivable	201,161	
Deliquent Property Taxes Receivable	1,480,757	
		1,760,538
Deferred outflows of resources include deferred charges on refundings which do not provide current financial resources and, therefore, are not reported in the funds.		706,079
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Accrued Interest Payable	(67,317)	
General Obligation Bonds Payable	(2,140,000)	
Certificates of Participation Payable	(23,552,554)	
Compensated Absences Payable	(768,607)	
Lease Payable	(39,482)	
		(26,567,960)
The net OPEB asset, net pension liability, and net OPEB liability are not due and payable in the current period, therefore, the asset, liability, and related deferred outflows/inflows are not reported in the governmental funds.		
Net OPEB Asset	1,049,111	
Deferred Outflows - Pension	2,899,844	
Deferred Inflows - Pension	(1,042,462)	
Net Pension Liability	(11,779,584)	
Deferred Outflows - OPEB	344,556	
Deferred Inflows - OPEB	(1,728,600)	
Net OPEB Liability	(730,350)	
		(10,987,485)
Net Position of Governmental Activities		$17,120,696

See Accompanying Notes to the Basic Financial Statements

Patrick Henry Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	General	Bond Retirement	Other Governmental	Total Governmental Funds
Revenues:				
Property Taxes	$5,567,919	$332,292	$414,980	$6,315,191
Income Taxes	2,889,378	0	0	2,889,378
Intergovernmental	5,625,695	33,926	2,016,496	7,676,117
Investment Earnings and Other Interest	431,928	0	254	432,182
Tuition and Fees	294,276	0	0	294,276
Extracurricular Activities	11,654	0	287,739	299,393
Charges for Services	0	0	261,524	261,524
Gifts and Donations	12,935	0	151,696	164,631
Miscellaneous	180,950	0	20,323	201,273
Total Revenues	15,014,735	366,218	3,153,012	18,533,965
Expenditures:				
Current:				
Instruction:				
Regular	5,341,114	0	354,696	5,695,810
Special	2,003,956	0	431,187	2,435,143
Vocational	20,921	0	0	20,921
Support Services:				
Pupils	872,363	0	109,174	981,537
Instructional Staff	187,995	0	17,242	205,237
Board of Education	17,962	0	0	17,962
Administration	994,040	0	40,706	1,034,746
Fiscal	613,214	21,556	8,306	643,076
Business	130,215	0	1,701	131,916
Operation and Maintenance of Plant	963,914	0	888,536	1,852,450
Pupil Transportation	643,279	0	315,516	958,795
Central	506,626	0	42,787	549,413
Non-Instructional Services	3,011	0	540,848	543,859
Extracurricular Activities	413,830	0	350,913	764,743
Capital Outlay	0	0	433,182	433,182
Intergovernmental	4,430	0	0	4,430
Debt Service:				
Principal Retirement	11,415	1,375,000	0	1,386,415
Interest	777	831,308	0	832,085
Total Expenditures	12,729,062	2,227,864	3,534,794	18,491,720
Excess of Revenues Over (Under) Expenditures	2,285,673	(1,861,646)	(381,782)	42,245
Other Financing Sources (Uses):				
Transfers In	0	1,855,012	0	1,855,012
Transfers Out	(1,709,012)	0	(146,000)	(1,855,012)
Total Other Financing Sources (Uses)	(1,709,012)	1,855,012	(146,000)	0
Changes in Fund Balances	576,661	(6,634)	(527,782)	42,245
Fund Balances Beginning of Year	14,420,899	587,058	1,829,073	16,837,030
Fund Balances End of Year	$14,997,560	$580,424	$1,301,291	$16,879,275

See Accompanying Notes to the Basic Financial Statements

Patrick Henry Local School District
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to Statement of Activities
For the Fiscal Year Ended June 30, 2023

Changes in Fund Balances - Total Governmental Funds		$42,245
Amounts reported for governmental activities on the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current fiscal year.		
Capital Outlay - Nondepreciable Capital Assets	46,972	
Capital Outlay - Depreciable Capital Assets	1,264,405	
Depreciation/Amortization	(836,739)	
		474,638
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		
Deliquent Property Taxes	1,318,111	
Income Taxes	35,689	
Intergovernmental	(59,194)	
Investment Earnings and Other Interest	1,073	
Tuition and Fees	11,114	
		1,306,793
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position.		
General Obligation Bonds	300,000	
Certificates of Participation	1,075,000	
Leases	11,415	
		1,386,415
Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities. Accounting losses are amortized over the life of the debt on the statement of activities.		
Accrued Interest Payable	3,917	
Amortization of Premium	40,011	
Amortization of Deferred Charge on Refunding	(10,864)	
		33,064
Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		5,749
Except for amounts reported as deferred outflows/inflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense on the statement of activities.		
Pension	(1,258,323)	
OPEB	215,302	
		(1,043,021)

(continued)

Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.		
Pension	$1,028,467	
OPEB	35,886	
		1,064,353
Change in Net Position of Governmental Activities		$3,270,236

See Accompanying Notes to the Basic Financial Statements

Patrick Henry Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property Taxes	$5,564,900	$5,629,925	$5,623,829	($6,096)
Income Taxes	2,600,000	2,865,000	2,864,020	(980)
Intergovernmental	5,716,491	5,633,531	5,556,774	(76,757)
Interest	100,000	380,000	424,844	44,844
Tuition and Fees	237,900	303,555	294,192	(9,363)
Extracurricular Activities	10,200	12,400	11,654	(746)
Gifts and Donations	5,000	13,150	12,935	(215)
Miscellaneous	221,470	227,666	177,748	(49,918)
Total Revenues	14,455,961	15,065,227	14,965,996	(99,231)
Expenditures:				
Current:				
Instruction:				
Regular	5,655,667	5,587,637	5,406,344	181,293
Special	1,979,707	2,052,751	1,967,510	85,241
Vocational	124,000	21,000	20,921	79
Support Services:				
Pupils	865,414	899,070	867,404	31,666
Instructional Staff	209,934	197,323	188,777	8,546
Board of Education	29,125	31,375	24,644	6,731
Administration	1,171,822	1,156,209	986,171	170,038
Fiscal	563,121	650,921	614,117	36,804
Business	133,550	138,050	131,050	7,000
Operation and Maintenance of Plant	999,137	1,119,771	980,316	139,455
Pupil Transportation	677,319	735,018	630,174	104,844
Central	555,652	530,589	511,519	19,070
Non-Instructional Services	3,025	3,025	3,011	14
Extracurricular Activities	420,014	433,644	409,504	24,140
Intergovernmental	0	0	4,544	(4,544)
Total Expenditures	13,387,487	13,556,383	12,746,006	810,377
Excess of Revenues Over Expenditures	1,068,474	1,508,844	2,219,990	711,146
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	21,600	17,600	14,180	(3,420)
Refund of Prior Year Receipts	(3,600)	(3,600)	(3,068)	532
Transfers In	156,000	0	0	0
Transfers Out	(1,866,000)	(1,716,000)	(1,709,012)	6,988
Total Other Financing Sources (Uses)	(1,692,000)	(1,702,000)	(1,697,900)	4,100
Changes in Fund Balance	(623,526)	(193,156)	522,090	715,246
Fund Balance Beginning of Year	14,527,945	14,527,945	14,527,945	0
Prior Year Encumbrances Appropriated	61,617	61,617	61,617	0
Fund Balance End of Year	$13,966,036	$14,396,406	$15,111,652	$715,246

See Accompanying Notes to the Basic Financial Statements

Patrick Henry Local School District
Statement of Fiduciary Net Position
Private Purpose Trust Fund
June 30, 2023

	Private Purpose Trust
Assets:	
Equity in Pooled Cash and Cash Equivalents	$3,967
Liabilities:	0
Net Position:	
Held in Trust for Scholarships	2,268
Endowment	1,699
Total Net Position	$3,967

See Accompanying Notes to the Basic Financial Statements

Patrick Henry Local School District
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2023

	Private Purpose Trust
Additions:	
Gifts and Donations	$2,564
Deductions:	
Non-Instructional Services	4,979
Changes in Net Position	(2,415)
Net Position Beginning of Year	6,382
Net Position End of Year	$3,967

See Accompanying Notes to the Basic Financial Statements

Note 1 - Description of the School District and Reporting Entity

Patrick Henry Local School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District is staffed by fifty-three classified employees, sixty-eight certified teaching personnel, and fifteen administrative employees who provide services to eight hundred eighty-two students and other community members. The School District currently operates one instructional building.

Reporting Entity

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

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

The School District participates in three jointly governed organizations, a related organization, and three insurance pools. These organizations are the Northwest Ohio Computer Association, Northern Buckeye Education Council, Four County Career Center, Patrick Henry School District Public Library, the Schools of Ohio Risk Sharing Authority, the Northern Buckeye Health Plan, and the Northern Buckeye Education Council Workers' Compensation Group Rating Plan. These organizations are presented in Notes 22, 23, and 24 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the School District that are governmental activities (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). However, the School District has no business-type activities.

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

Fund Financial Statements

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

B. Fund Accounting

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

Note 2 - Summary of Significant Accounting Policies (continued)

Governmental Funds

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

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

> Bond Retirement - The Bond Retirement Fund is used to account for property taxes restricted for the payment of principal, interest, and related costs on general obligation and certificate of participation debt.

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

Fiduciary Funds

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

C. Measurement Focus

Government-Wide Financial Statements

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

Note 2 - Summary of Significant Accounting Policies (continued)

Fund Financial Statements

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

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

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met but for which revenue recognition criteria have not yet been met because these amounts have not been earned.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for a deferred charge on refunding, pension, and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and the reacquisition price. This amount is deferred and amortized over the life of the old debt or the life of the new debt, whichever is shorter. The deferred outflows of resources related to pension and OPEB and explained in Notes 14 and 15.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as a deferred inflow of resources (revenue) until that time. For the School District, deferred inflows of resources consists of property taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there was an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes accrued interest, intergovernmental revenue including grants, income taxes, delinquent property taxes, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 17.

Note 2 - Summary of Significant Accounting Policies (continued)

Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and are explained in Note 14 and Note 15 to the basic financial statements.

Expenses/Expenditures

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

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

E. Budgetary Process

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

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

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

F. Cash and Investments

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

Note 2 - Summary of Significant Accounting Policies (continued)

During fiscal year 2023, investments consisted of nonnegotiable certificates of deposit and STAR Ohio. Nonnegotiable certificates of deposit are reported at cost. STAR Ohio (State Treasury Asset Reserve of Ohio) is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but has adopted Governmental Accounting Standards Board Statement No. 79, "Certain External Investment Pools and Pool Participants". The School District measures the investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV that approximates fair value.

For fiscal year 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice for deposits and withdrawals of $100 million or more is appreciated. STAR Ohio reserves the right to limit the transaction to $250 million per day.

The Board of Education allocates interest according to State statute. Investment earnings and other interest revenue credited to the General Fund during fiscal year 2023 was $431,928 which includes $56,006 assigned from other School District funds.

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

G. 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 in which services are consumed.

H. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption and donated and purchased food.

I. Capital Assets

All of the School District's capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

All capital assets (except for intangible right-to-use lease assets which are discussed below) are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their acquisition value on the date donated. The School District maintains a capitalization threshold of two thousand five hundred dollars. Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

Description	Useful Lives
Land Improvements	5 - 30 years
Buildings and Building Improvements	15 - 99 years
Furniture, Fixtures, and Equipment	5 - 30 years
Vehicles	8 years

The School District is reporting intangible right to use assets related to leased equipment. The lease asset include equipment and represent nonfinancial assets which are being utilized for a period of time through leases from another entity. This intangible assets right to use asset is being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

J. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of assets. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions.

K. Deferred Charge on Refunding

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This deferred amount is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as deferred outflows of resources on the statement of net position.

L. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from interfund loans and for services provided are classified as "Interfund Receivables/Payables". Interfund balances within governmental activities are eliminated on the statement of net position.

Note 2 - Summary of Significant Accounting Policies (continued)

M. Leases Payable

The School District serves as lessee in various noncancellable leases which are accounted for as follows:

> Lessee At the commencement of a lease, the School District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain indirect costs. Subsequently, the lease asset is amortized in a systematic and rational manor over the shorter of the lease term or the useful life of the underlying asset. Lease assets are reported with other capital assets and lease liabilities are reported with long term debt on the statement of net position.

N. Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after ten years of service.

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

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid.

O. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

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

P. Unamortized Premiums

On government-wide financial statements, premiums are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of bonds payable.

On the governmental fund financial statements, bond premiums are recognized in the period when the debt is issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited in the Bond Retirement Fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to a bond escrow agent.

Q. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for food service operations and federal and state grants. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. Fund Balance

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

Assigned - Amounts in the assigned classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. Assigned amounts represent intended uses established by the Board of Education. The Board of Education has authorized the Treasurer to assign fund balance for purchases on order provided those amounts have been lawfully appropriated. The Board of Education has also assigned fund balance to cover a gap between estimated resources and appropriations in the fiscal year 2024 budget. Certain resources have been assigned for educational activities.

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

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

S. Interfund Transactions

Transfers within governmental activities are eliminated on the government-wide financial statements.

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

T. Pension/Postemployment Benefits

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

U. Estimates

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

Note 3 - Change in Accounting Principles

For fiscal year 2023, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 91, "Conduit Debt Obligations", GASB No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements", GASB Statement No. 96, "Subscription-Based Information Technology Arrangements", and GASB Statement No. 99, "Omnibus 2022".

GASB Statement No. 91 clarifies the existing definition conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required not disclosures. The School District did not have any debt that met the definition of conduit debt.

GASB Statement No. 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The School District did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The School District did not have any contracts that met the GASB No. 96 definition of a SBITA.

GASB No. 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

Note 4 - Accountability

At June 30, 2023, the ESSER special revenue funds had a deficit fund balance, in the amount of $78,142, resulting from recognition of payables in accordance with generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed.

Note 5 - Budgetary Basis of Accounting

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

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

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

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

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

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

Changes in Fund Balance

GAAP Basis	$576,661
Increase (Decrease) Due To:	
Revenue Accruals:	
Accrued FY 2022, Received in Cash FY 2023	1,454,598
Accrued FY 2023, Not Yet Received in Cash	(1,499,519)

(continued)

Note 5 - Budgetary Basis of Accounting (continued)

Changes in Fund Balance
(continued)

Expenditure Accruals:	
Accrued FY 2022, Paid in Cash FY 2023	($1,642,537)
Accrued FY 2023, Not Yet Paid in Cash	1,638,725
Prepaid Items	948
Encumbrances Outstanding at Fiscal Year End (Budget Basis)	(17,148)
Cash Accrual FY 2022	10,362
Budget Basis	$522,090

Note 6 - Deposits and Investments

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

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

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

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

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

Note 6 - Deposits and Investments (continued)

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

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

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

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

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

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

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

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

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

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

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

Note 6 - Deposits and Investments (continued)

Investments

As of June 30, 2023, the net value per share of funds on deposit with STAR Ohio was $1,668,903. The School District's investment in STAR Ohio has an average maturity of 38.5 days. STAR Ohio carries a rating of AAA by Standard and Poor's. The School District has no investment policy dealing with interest rate or credit risk beyond the requirements of State statute. Ohio law requires STAR Ohio must maintain the highest rating provided by at least one nationally recognized standard rating service.

Note 7 - Receivables

Receivables at June 30, 2023, consisted of accounts (student fees and billings for user charged services), accrued interest, interfund, intergovernmental, income taxes, and property taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except income taxes and property taxes, are expected to be collected within one year. Income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
General Fund	
Bureau of Workers Compensation	$231
Medicaid	70,855
Total General Fund	71,086
Other Governmental Funds	
High Schools That Work	2,975
ESSER Grant	146,249
Title VI-B Grant	42,907
Title I Grant	4,583
ARP Early Childhood Special Education	3,176
Total Other Governmental Funds	199,890
Total Governmental Activities	$270,976

Note 8 - Income Taxes

The School District levies a voted tax of 1.75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1991, and is for a continuing period. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

Note 9 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed values as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 became a lien on December 31, 2021, were levied after April 1, 2022, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The School District receives property taxes from Henry, Putnam, and Wood Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents real and public utility property taxes which were measurable as of June 30, 2023, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and are reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources - property taxes.

The amount available as an advance at June 30, 2023, was $511,213 in the General Fund, $5,512 in the Classroom Maintenance special revenue fund, $32,435 in the Bond Retirement debt service fund, and $31,017 in the Permanent Improvement capital projects fund. The amount available as an advance at June 30, 2022, was $567,123 in the General Fund, $6,163 in the Classroom Maintenance special revenue fund, $35,874 in the Bond Retirement debt service fund, and $34,320 in the Permanent Improvement capital projects fund.

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

Note 9 - Property Taxes (continued)

The assessed values upon which fiscal year 2023 taxes were collected are:

	2022 Second Half Collections		2023 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	$143,089,440	52.82%	$143,749,160	53.59%
Industrial/Commercial	7,252,060	2.68%	7,222,930	2.69%
Public Utility Real	729,180	0.27%	649,770	0.24%
Public Utility Personal	119,818,030	44.23%	116,663,070	43.48%
Total Assessed Value	$270,888,710	100.00%	$268,284,930	100.00%
Tax Rate per $1,000 of assessed valuation	$40.30		$40.30	

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Balance at 6/30/2022	Additions	Reductions	Balance at 6/30/2023
Governmental Activities				
Nondepreciable Capital Assets				
Land	$591,100	$0	$0	$591,100
Construction in Progress	0	46,972	0	46,972
Total Nondepreciable Capital Assets	591,100	46,972	0	638,072
Depreciable Capital Assets				
Land Improvements	658,029	307,964	0	965,993
Buildings and Building Improvements	38,936,764	356,560	0	39,293,324
Furniture, Fixtures, and Equipment	1,244,995	307,769	0	1,552,764
Vehicles	1,600,633	292,112	(71,095)	1,821,650
Intangible Right to Use Asset - Equipment	58,400	0	0	58,400
Total Depreciable Capital Assets	42,498,821	1,264,405	(71,095)	43,692,131
Less Accumulated Depreciation/Amortization				
Land Improvements	(247,392)	(39,869)	0	(287,261)
Buildings and Building Improvements	(5,806,680)	(638,028)	0	(6,444,708)
Furniture, Fixtures, and Equipment	(912,809)	(67,434)	0	(980,243)
Vehicles	(1,259,926)	(79,993)	71,095	(1,268,824)
Intangible Right to Use Asset - Equipment	(7,503)	(11,415)	0	(18,918)
Total Accumulated Depreciation/Amortizatio	(8,234,310)	(836,739)	71,095	(8,999,954)
Total Depreciable Capital Assets, Net	34,264,511	427,666	0	34,692,177
Governmental Activities Capital Assets, Net	$34,855,611	$474,638	$0	$35,330,249

Note 10 - Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

	Depreciation
Instruction:	
Regular	$399,705
Special	21,233
Vocational	16,813
Support Services:	
Pupils	4,239
Instructional Staff	22,956
Administration	39,777
Fiscal	2,869
Operation & Maintenance of Plant	119,547
Pupil Transportation	97,877
Central	25,689
Non Instructional Services	18,396
Extracurricular Activities	67,638
Total Depreciation Expense	$836,739

Of the current year depreciation total of $836,739, $11,415 is presented as administration expense on the Statement of Activities related to the School District's intangible assets of copiers, which is included as an Intangible Right to Use - Lease Asset. With the implementation of Governmental Accounting Standards Board Statement No. 87, Leases, a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

Note 11 - Interfund Assets/Liabilities

At June 30, 2023, the General Fund had an interfund receivable from other governmental funds, in the amount of $174,456, for short-term loans made to those funds. This amount is expected to be repaid within one year.

Note 12 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2023, the School District contracted for the following insurance coverage.

Coverage provided through Schools of Ohio Risk Sharing Authority is as follows:	
General School District Liability	
Per Occurrence	$15,000,000
Total Per Year	17,000,000
Vehicle Liability	15,000,000
Building and Contents	51,152,249

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

For fiscal year 2023, the School District participated in the Schools of Ohio Risk Sharing Authority (SORSA), an insurance purchasing pool. Each participant enters into an individual agreement with the SORSA for insurance coverage and pays annual premiums to the SORSA based on the types and limits of coverage and deductibles selected by the participant.

The School District participates in the Northern Buckeye Health Plan (Plan), a public entity shared risk pool consisting of educational entities within Defiance, Fulton, Henry, Lucas, Williams, and Wood Counties. The School District pays monthly premiums to the Northern Buckeye Education Council for the benefits offered to its employees including medical, dental, vision, and life insurance. The Northern Buckeye Education Council is responsible for the management and operations of the Plan. The agreement for the Plan provides for additional assessments to participants if the premiums are insufficient to pay the program costs for the fiscal year. Upon withdrawal from the Plan, a participant is responsible for any claims not processed and paid and any related administrative costs.

The School District participates in the Northern Buckeye Education Council Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. The Plan is intended to reduce premiums for the participants. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate. Participation in the Plan is limited to participants that can meet the Plan's selection criteria. Each participant must apply annually. The Plan provides the participants with a centralized program for the processing, analysis, and management of workers' compensation claims and a risk management program to assist in developing safer work environments. Each participant must pay its premiums, enrollment or other fees, and perform its obligations in accordance with the terms of the agreement.

Note 13 - Contractual Commitments

At fiscal year end, the amount of significant encumbrances expected to be honored upon performance by the vendor in fiscal year 2024 are as follows:

General Fund	$17,148
Other Governmental Funds	356,348
Total	$373,496

Note 14 - Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was $277,379 for fiscal year 2023. Of this amount $60,229 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

Note 14 - Defined Benefit Pension Plans (continued)

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

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

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

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2023 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2023, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was $751,088 for fiscal year 2023. Of this amount $132,516 is reported as an intergovernmental payable.

Note 14 - Defined Benefit Pension Plans (continued)

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

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.051262400%	0.040516710%	
Prior Measurement Date	0.052255000%	0.040067924%	
Change in Proportionate Share	-0.000992600%	0.000448786%	
Proportionate Share of the Net Pension Liability	$2,772,669	$9,006,915	$11,779,584
Pension Expense	$198,447	$1,059,876	$1,258,323

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$112,296	$115,300	$227,596
Changes of assumptions	27,358	1,077,857	1,105,215
Net difference between projected and actual earnings on pension plan investments	0	313,421	313,421
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	49,007	176,138	225,145
School District contributions subsequent to the measurement date	277,379	751,088	1,028,467
Total Deferred Outflows of Resources	$466,040	$2,433,804	$2,899,844

Note 14 - Defined Benefit Pension Plans (continued)

	SERS	STRS	Total
Deferred Inflows of Resources			
Differences between expected and actual experience	$18,202	$34,455	$52,657
Changes of assumptions	0	811,317	811,317
Net difference between projected and actual earnings on pension plan investments	96,754	0	96,754
Changes in proportionate share and Difference between School District contributions and proportionate share of contributions	44,255	37,479	81,734
Total Deferred Inflows of Resources	$159,211	$883,251	$1,042,462

$1,028,467 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 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:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	$38,008	$50,290	$88,298
2025	(31,132)	23,267	(7,865)
2026	(138,214)	(187,538)	(325,752)
2027	160,788	913,446	1,074,234
Total	$29,450	$799,465	$828,915

Actuarial Assumptions - SERS

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

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

Note 14 - Defined Benefit Pension Plans (continued)

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2022, are presented below:

	June 30, 2022
Inflation	2.4 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

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

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

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

Note 14 - Defined Benefit Pension Plans (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	(0.45) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	8.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategy	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	100.00 %	

Discount Rate The total pension liability for 2022 was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$4,081,237	$2,772,669	$1,670,219

Note 14 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2022, actuarial valuation are presented below:

	June 30, 2022
Inflation	2.50 percent
Salary increases	From 2.5 percent to 12.5 percent based on age
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

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

For 2021, post-retirement mortality rates are based on RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates, thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

Note 14 - Defined Benefit Pension Plans (continued)

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

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

* Target allocation percentage is effective July 1, 2022. Target weights were phased in over a 3 month period concluding on October 1, 2022
** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2022.

Note 14 - Defined Benefit Pension Plans (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$13,606,171	$9,006,915	$5,117,370

Social Security

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2023, one of the Board of Education members has elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 15 - Defined Benefit OPEB Plans

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

Plan Description - School Employees Retirement System (SERS)

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

Note 15 - Defined Benefit OPEB Plans (continued)

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2023, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the School District's surcharge obligation was $35,886.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was $35,886 for fiscal year 2023. Of this amount $35,886 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2023, STRS did not allocate any employer contributions to post-employment health care.

Note 15 - Defined Benefit OPEB Plans (continued)

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

The net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.052018800%	0.040516710%	
Prior Measurement Date	0.053663900%	0.040067924%	
Change in Proportionate Share	-0.001645100%	0.000448786%	
Proportionate Share of the:			
Net OPEB Liability	$730,350	$0	$730,350
Net OPEB Asset	$0	$1,049,111	$1,049,111
OPEB Expense	($35,996)	($179,306)	($215,302)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$6,140	$15,209	$21,349
Changes of assumptions	116,171	44,689	160,860
Net difference between projected and actual earnings on OPEB plan investments	3,796	18,263	22,059
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	89,780	14,622	104,402
School District contributions subsequent to the measurement date	35,886	0	35,886
Total Deferred Outflows of Resources	$251,773	$92,783	$344,556

Note 15 - Defined Benefit OPEB Plans (continued)

	SERS	STRS	Total
Deferred Inflows of Resources			
Differences between expected and actual experience	$467,185	$157,556	$624,741
Changes of assumptions	299,814	743,921	1,043,735
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	58,004	2,120	60,124
Total Deferred Inflows of Resources	$825,003	$903,597	$1,728,600

$35,886 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	($132,994)	($230,874)	($363,868)
2025	(129,628)	(234,481)	(364,109)
2026	(114,568)	(113,101)	(227,669)
2027	(75,006)	(46,810)	(121,816)
2028	(55,690)	(61,268)	(116,958)
Thereafter	(101,230)	(124,280)	(225,510)
Total	($609,116)	($810,814)	($1,419,930)

Actuarial Assumptions - SERS

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

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

Note 15 - Defined Benefit OPEB Plans (continued)

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2022, are presented below:

	June 30, 2022
Inflation	2.40 percent
Future Salary Increases, including inflation	
Wage Increases	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
Fiduciary Net Position is Projected to be Depleted	2044
Municipal Bond Index Rate:	
Measurement Date	3.69 percent
Prior Measurement Date	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	4.08 percent
Prior Measurement Date	2.27 percent
Health Care Cost Trend Rate	
Medicare	5.125 to 4.40 percent
Pre-Medicare	6.75 to 4.40 percent
Medical Trend Assumption	7.00 to 4.40 percent

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

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

Note 15 - Defined Benefit OPEB Plans (continued)

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2022 was 4.08 percent. The discount rate used to measure total OPEB liability prior to June 30, 2021, was 2.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022, and the June 30, 2021 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.69 percent at June 30, 2022 and 1.92 percent at June 30, 2021.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) and higher (5.08%) than the current discount rate (4.08%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate.

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
School District's proportionate share of the net OPEB liability	$907,105	$730,350	$587,660

Note 15 - Defined Benefit OPEB Plans (continued)

	1% Decrease (6.00% decreasing to 3.40%)	Current Trend Rate (7.00% decreasing to 4.40%)	1% Increase (8.00% decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	$563,230	$730,350	$948,634

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2022, actuarial valuation are presented below:

	June 30, 2022	June 30, 2021
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by age from 2.5 percent to 12.50 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 3.94 percent ultimate	5.00 percent initial 4 percent ultimate
Medicare	-68.78 percent initial 3.94 percent ultimate	-16.18 percent initial 4 percent ultimate
Prescription Drug		
Pre-Medicare	9.00 percent initial 3.94 percent ultimate	6.50 percent initial 4 percent ultimate
Medicare	-5.47 percent initial 3.94 percent ultimate	29.98 percent initial 4 percent ultimate

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

For 2022, healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

<u>Note 15 - Defined Benefit OPEB Plans</u> (continued)

For 2021, healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2022.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2022, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net OPEB asset	$969,877	$1,049,111	$1,116,985

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	$1,088,185	$1,049,111	$999,793

Note 16 - Other Employee Benefits

A. Compensated Absences

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

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred seventy-two days for certified employees and two hundred thirty days for classified employees. Upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of sixty-eight days for certified employees and fifty-seven and one-half days for classified employees.

B. Health Care Benefits

The School District provides medical, dental, vision, and life insurance to all employees through the Northern Buckeye Health Plan.

Note 17 - Long-Term Obligations

Changes in the School District's long-term obligations during fiscal year 2023 were as follows:

	Balance at 6/30/2022	Additions	Reductions	Balance at 6/30/2023	Amounts Due Within One Year
Governmental Activities:					
General Obligation Bonds through Direct Placement					
FY 2017 School Facilities Construction and Improvement Refunding					
Term Bonds 3.65 - 2.24%	$2,440,000	$0	$300,000	$2,140,000	$305,000
FY 2015 Certificates of Participation					
Serial Bonds 2.00 - 4.00%	1,640,000	0	200,000	1,440,000	210,000
Premium	147,222	0	17,954	129,268	0
2020A Certificates of Participation					
Serial Bonds 2.00 - 5.00%	8,405,000	0	830,000	7,575,000	820,000
Term Bonds 2.75 - 3.13%	6,660,000	0	0	6,660,000	0
Premium	400,343	0	22,057	378,286	0
2020B Certificates of Participation					
Serial Bonds 2.95 - 3.15%	1,075,000	0	0	1,075,000	0
Term Bonds 2.40 - 3.78%	6,340,000	0	45,000	6,295,000	45,000
Total Certificates of Participation	24,667,565	0	1,115,011	23,552,554	1,075,000

(continued)

Note 17 - Long-Term Obligations (continued)

	Balance at 6/30/2022	Additions	Reductions	Balance at 6/30/2023	Amounts Due Within One Year
Governmental Activities (continued):					
Net Pension Liability					
SERS	$1,928,058	$844,611	$0	$2,772,669	$0
STRS	5,123,043	3,883,872	0	9,006,915	0
Total Net Pension Liability	7,051,101	4,728,483	0	11,779,584	0
Net OPEB Liability					
SERS	1,015,634	0	285,284	730,350	0
Compensated Absences Payable	774,356	99,358	105,107	768,607	24,451
Leases Payable	50,897	0	11,415	39,482	11,611
Total Governmental Activities Long-Term Liabilities	$35,999,553	$4,827,841	$1,816,817	$39,010,577	$1,416,062

FY 2017 School Facilities Construction and Improvement Refunding Bonds - On April 11, 2017, the School District issued general obligation bonds through a direct placement, in the amount of $2,915,000, to currently refund a portion of the FY 2007 School Facilities Construction and Improvement Refunding Bonds. The refunding bond issue consists of term bonds, in the original amount of $2,915,000. The bonds were issued for a thirteen fiscal year period, with final maturity in fiscal year 2030. The bonds are being retired through the Bond Retirement debt service fund.

The term bonds are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2023	$305,000
2024	315,000
2025	325,000
2026	330,000
2027	335,000
2028	345,000

The remaining principal, in the amount of $185,000, will be paid at stated maturity on December 1, 2029.

FY 2015 Certificates of Participation - On November 5, 2014, the School District issued certificates of participation, in the amount of $9,000,000, to acquire, construct, improve, furnish, and equip school facilities. The issue included serial and term certificates. The certificates were issued for a twenty-nine year period, with final maturity in fiscal year 2044. During fiscal year 2020, the term certificates were refunded. The certificates are being retired through the Bond Retirement debt service fund. During fiscal year 2023, principal, in the amount of $200,000, was paid.

Note 17 - Long-Term Obligations (continued)

The serial certificates maturing on or after December 1, 2023, are subject to redemption, at the option of the School District, either in whole or in part, in such order of maturity as the School District shall determine, on any interest payment date on or after December 1, 2022, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

FY 2020A Certificates of Participation - On December 12, 2019, the School District issued certificates of participation, in the amount of $17,000,000, to acquire, construct, improve, furnish, and equip school facilities. The issue includes serial and term certificates, in the original amount of $10,340,000 and $6,660,000, respectively. The certificates were issued for a thirty year period, with final maturity in fiscal year 2050. The certificates are being retired through the Bond Retirement debt service fund.

The serial certificates maturing on or after December 1, 2026, are subject to redemption, at the option of the School District, either in whole or in part, in such order of maturity as the School District shall determine, on any interest payment date on or after December 1, 2026, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The term certificates maturing on December 1, 2034 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2033	$635,000

The remaining principal, in the amount of $610,000, will be paid at stated maturity on December 1, 2034.

The term certificates maturing on December 1, 2036 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2035	$585,000

The remaining principal, in the amount of $560,000, will be paid at stated maturity on December 1, 2036.

The term certificates maturing on December 1, 2039 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2037	$530,000
2038	505,000

The remaining principal, in the amount of $475,000, will be paid at stated maturity on December 1, 2039.

Note 17 - Long-Term Obligations (continued)

The term certificates maturing on December 1, 2044 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2040	$450,000
2041	420,000
2042	390,000
2043	360,000

The remaining principal, in the amount of $280,000, will be paid at stated maturity on December 1, 2044.

The term certificates maturing on December 1, 2049 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2045	$245,000
2046	210,000
2047	175,000
2048	135,000

The remaining principal, in the amount of $95,000, will be paid at stated maturity on December 1, 2049.

As of June 30, 2023, $109,633 of these proceeds had not been spent.

FY 2020B Refunding Certificates of Participation - On December 12, 2019, the School District issued certificates of participation, in the amount of $7,510,000, to advance refund certificates previously issued in fiscal year 2015 to acquire, construct, improve, furnish, and equip school facilities. The refunding issue consists of serial and term certificates, in the original amount of $1,075,000 and $6,435,000, respectively. The certificates were issued for a twenty-four fiscal year period, with maturity in fiscal year 2044. The certificates are being retired through the Bond Retirement debt service fund.

The serial certificates are subject to prior redemption on or after December 1, 2029, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of $5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The term certificates maturing on December 1, 2024 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2022	$45,000
2023	45,000

Note 17 - Long-Term Obligations (continued)

The remaining principal, in the amount of $50,000, will be paid at stated maturity on December 1, 2024.

The term certificates maturing on December 1, 2028 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2025	$50,000
2026	50,000
2027	50,000

The remaining principal, in the amount of $55,000, will be paid at stated maturity on December 1, 2028.

The term certificates maturing on December 1, 2034 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2032	$390,000
2033	405,000

The remaining principal, in the amount of $420,000, will be paid at stated maturity on December 1, 2034.

The term certificates maturing on December 1, 2039 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2035	$440,000
2036	460,000
2037	480,000
2038	505,000

The remaining principal, in the amount of $530,000, will be paid at stated maturity on December 1, 2039.

The term certificates maturing on December 1, 2043 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, on December 1 in the years and in the respective principal amounts as follows:

Year	Amount
2040	$555,000
2041	575,000
2042	605,000

The remaining principal, in the amount of $630,000, will be paid at stated maturity on December 1, 2043.

Note 17 - Long-Term Obligations (continued)

Net Pension/OPEB Liability - There is no repayment schedule for the net pension/OPEB liability; however, employer pension/OPEB contributions are made from the General Fund and the Food Service and ESSER special revenue funds. For additional information related to the net pension/OPEB liability, see Notes 14 and 15 to the basic financial statements.

Compensated absences will be paid from the General Fund and the Food Service special revenue funds.

The School District's overall debt margin was $22,586,068 with an unvoted debt margin of $268,285 at June 30, 2023.

Principal and interest requirements to retire general obligation debt outstanding at June 30, 2023, were as follows:

	General Obligation Bonds From Direct Placement	
Fiscal Year Ending June 30,	Term	Interest
2024	$305,000	$44,520
2025	315,000	37,576
2026	325,000	30,408
2027	330,000	23,072
2028	335,000	15,624
2029-2030	530,000	10,080
Total	$2,140,000	$161,280

Fiscal Year	Certificates of Participation		
Ending June 30,	Serial	Term	Interest
2024	$1,030,000	$45,000	$739,783
2025	1,030,000	50,000	699,592
2026	1,025,000	50,000	654,293
2027	1,040,000	50,000	603,590
2028	1,050,000	50,000	564,265
2029-2033	4,915,000	445,000	2,390,616
2034-2038	0	5,125,000	1,630,210
2039-2043	0	5,010,000	788,422
2044-2048	0	1,900,000	133,302
2049-2050	0	230,000	6,562
Total	$10,090,000	$12,955,000	$8,210,635

Note 17 - Long-Term Obligations (continued)

The School District has outstanding agreement to lease copiers. Due to the implementation of GASB Statement 87, this lease has met the criteria of leases thus requiring them to be recorded by the School District. The future lease payments were discounted based on the interest rate implicit in the lease or using the School District's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease. A summary of the principal and interest amounts for the remaining leases is as follows:

Year	Principal	Interest
2024	$11,611	$581
2025	11,810	382
2026	12,012	180
2027	4,049	15
	$39,482	$1,158

Note 18 - Fund Balance

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

Fund Balances	General Fund	Bond Retirement Fund	Nonmajor Governmental Funds	Total
Nonspendable:				
Prepaid Items	$7,966	$0	$538	$8,504
Materials and Supplies Inventory	0	0	646	646
Total Nonspendable	7,966	0	1,184	9,150
Restricted for:				
Athletics and Music	0	0	141,700	141,700
Building Construction	0	0	3,763	3,763
Debt Retirement	0	580,424	0	580,424
Facilities Maintenance	0	0	160,917	160,917
Food Service Operations	0	0	154,414	154,414
Permanent Improvements	0	0	749,480	749,480
Regular Instruction	0	0	11,011	11,011
Student Activities	0	0	73,381	73,381
Total Restricted	0	580,424	1,294,666	1,875,090

(continued)

Note 18 - Fund Balance (continued)

Fund Balances	General Fund	Bond Retirement Fund	Nonmajor Governmental Funds	Total
Committed to:				
Capital Projects	$0	$0	$83,927	$83,927
Assigned for:				
Educational Activities	46,988	0	0	46,988
Projected Budget Shortage	979,452	0	0	979,452
Unpaid Obligations	5,538	0	0	5,538
Total Assigned	1,031,978	0	0	1,031,978
Unassigned (Deficit)	13,957,616	0	(78,486)	13,879,130
Total Fund Balances	$14,997,560	$580,424	$1,301,291	$16,879,275

Note 19 - Set Asides

The School District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the acquisition and construction of capital improvements. The amount not spent by the end of the fiscal year or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year end. This amount must be carried forward and used for the same purpose in future years. The following cash basis information identifies the change in the fund balance set aside for capital improvements during fiscal year 2023.

Balance June 30, 2022	$0
Current Year Set Aside Requirement	193,190
Current Year Offsets	(193,190)
Reserve Balance June 30, 2023	$0

Note 20 - Interfund Transfers

During fiscal year 2023, the General Fund made transfers to the Bond Retirement debt service fund, in the amount of $1,709,012, as debt payments came due. Other governmental funds made transfers to the Bond Retirement debt service fund, in the amount of $146,000, as debt payments came due.

Note 21 - Donor Restricted Endowments

The School District's private purpose trust fund includes donor restricted endowments. Endowment, in the amount of $1,699, represents the principal portion. The amount of net appreciation in donor restricted investments that is available for expenditures by the School District is $2,268 and is included as held in trust for scholarships. State law permits the School District to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowment indicates that the interest should be used to provide a scholarship each year.

Note 22 - Jointly Governed Organizations

A. Northwest Ohio Computer Association

The School District is a participant in the Northwest Ohio Computer Association (NWOCA), which is a computer consortium. NWOCA is an association of educational entities within the boundaries of Defiance, Fulton, Henry, Lucas, Williams, and Wood Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member educational entities. The NWOCA Assembly consists of the superintendent from each participating educational entity and a representative from the fiscal agent. The Assembly elects the governing Council of two representatives from each of the six counties in which member educational entities are located and the representative from the member educational entity serving as fiscal agent for NWOCA. The degree of control exercised by any participating educational entity is limited to its representation on the Board. During fiscal year 2023, the School District paid $149,795 to NWOCA for various services. Financial information can be obtained from the Northwest Ohio Computer Association, 209 Nolan Parkway, Archbold, Ohio 43502.

B. Northern Buckeye Education Council

The Northern Buckeye Education Council (NBEC) was established in 1979 to foster cooperation among educational entities located in Defiance, Fulton, Henry, Lucas, Williams, and Wood counties. NBEC is organized under Ohio laws as a regional council of governments pursuant to a written agreement entered into by its member educational entities and bylaws adopted by the representatives of the member educational entities. NBEC is governed by an elected Board consisting of two representatives from each of the six counties in which the member educational entities are located. The board is elected from an Assembly consisting of a representative from each participating educational entity. Financial information can be obtained from the Northern Buckeye Educational Council, 209 Nolan Parkway, Archbold, Ohio 43502.

C. Four County Career Center

The Four County Career Center (Career Center) is a distinct political subdivision of the State of Ohio which provides vocational education to students. The Career Center is operated under the direction of a board consisting of five representatives from the Northwest Ohio Educational Service Center and one representative from the participating school districts elected boards. The Career Center possesses its own budgeting and taxing authority. The degree of control exercised by the School District is limited to its representation on the Board. Financial information can be obtained from the Four County Career Center, 22-900 State Route 34, Archbold, Ohio 43502.

Note 23 - Related Organization

The Patrick Henry School District Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Patrick Henry Local School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Patrick Henry School District Public Library, 208 North East Street, Deshler, Ohio 43516.

Note 24 - Insurance Pools

A. Schools of Ohio Risk Sharing Authority

The School District participates in the Schools of Ohio Risk Sharing Authority (SORSA), an insurance purchasing pool established under Section 2744.081 of the Ohio Revised Code. SORSA is an incorporated nonprofit association of its members which enables the participants to provide for a formalized joint insurance purchasing program for maintaining adequate insurance protection and provides risk management programs and other administrative services. SORSA's business and affairs are conducted by a board consisting of nine superintendents and treasurers, as well as an attorney, accountant, and four representatives from the pool's administrator, Willis Pooling. Willis Pooling is responsible for processing claims and establishing agreements between SORSA and its members. Financial information can be obtained from Willis Pooling, 775 Yard Street, Suite 200, Grandview Heights, Ohio 43212.

B. Northern Buckeye Health Plan

The School District participates in the Northern Buckeye Health Plan (Plan), Northwest Division of OHI, a self insurance pool, for insurance benefits to employees. The School District pays monthly premiums to the Plan for the benefits offered to its employees, which includes health, dental, vision, and life insurance. The Plan is responsible for the management and operations of the program. The agreement with the Plan provides for additional assessment to participates if the premiums are insufficient to pay the program costs for the fiscal year. Upon withdrawal from the Plan, a participant is responsible for any claims not processed and paid and any related administrative costs.

C. Northern Buckeye Education Council Workers' Compensation Group Rating Plan

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Northern Buckeye Education Council Workers' Compensation Group Rating Plan (Plan) was established through the Northern Buckeye Education Council (NBEC) as an insurance purchasing pool. The Plan is governed by the NBEC and the participants of the Plan. The Executive Director of the NBEC coordinates the management and administration of the Plan. Each year, the participants pay an enrollment fee to the Plan to cover the costs of administering the program.

Note 25 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2023.

B. School Foundation

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2023 are not finalized. The District's August 14, 2023, and November 9, 2023, foundation settlement receipts included the FTE adjustments for fiscal year 2023. The August 14, 2023, adjustment was a decrease of $900. The November 9, 2023, adjustment was a decrease of $1. These amounts were not material to the financial statements and were not included in the financial statements as an intergovernmental payable as of June 30, 2023.

C. Litigation

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

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Patrick Henry Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
School District's Proportion of the Net Pension Liability	0.05126400%	0.05225500%	0.04878050%	0.04837140%
School District's Proportionate Share of the Net Pension Liability	$2,772,669	$1,928,058	$3,226,445	$2,894,146
School District's Employee Payroll	$1,769,607	$1,808,543	$1,718,629	$1,667,748
School District's Proportionate Share of the Net Pension Liability as a Percentage of Employee Payroll	156.68%	106.61%	187.73%	173.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.82%	82.86%	68.55%	70.85%

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

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
0.04712250%	0.04753970%	0.04707810%	0.04510470%	0.04440500%	0.04440500%
$2,698,793	$2,840,391	$3,445,683	$2,573,718	$2,247,312	$2,640,623
$1,594,696	$1,515,707	$1,507,907	$1,362,049	$1,135,160	$1,099,763
169.24%	187.40%	228.51%	188.96%	197.97%	240.11%
71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

Patrick Henry Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
School District's Proportion of the Net Pension Liability	0.040516710%	0.040067924%	0.03898154%	0.03900860%
School District's Proportionate Share of the Net Pension Liability	$9,006,915	$5,123,043	$9,432,145	$8,626,516
School District's Employee Payroll	$5,144,829	$5,021,207	$4,698,493	$4,634,071
School District's Proportionate Share of the Net Pension Liability as a Percentage of Employee Payroll	175.07%	102.03%	200.75%	186.15%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.90%	87.80%	75.50%	77.40%

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

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
0.03961305%	0.03903293%	0.03808750%	0.03840519%	0.03849641%	0.03849641%
$8,710,020	$9,272,355	$12,746,775	$10,614,071	$9,363,660	$11,153,930
$4,499,107	$4,339,564	$4,042,800	$3,985,107	$3,959,415	$3,974,562
193.59%	213.67%	315.30%	266.34%	236.49%	280.63%
77.30%	75.30%	66.80%	72.10%	74.70%	69.30%

Patrick Henry Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
Last Seven Fiscal Years (1)

	2023	2022	2021	2020
School District's Proportion of the Net OPEB Liability	0.05201880%	0.05366390%	0.05063820%	0.04946270%
School District's Proportionate Share of the Net OPEB Liability	$730,350	$1,015,634	$1,100,534	$1,243,883
School District's Employee Payroll	$1,769,607	$1,808,543	$1,718,629	$1,667,748
School District's Proportionate Share of the Net OPEB Liability as a Percentage of Employee Payroll	41.27%	56.16%	64.04%	74.58%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.34%	24.08%	18.17%	15.57%

(1) Information prior to 2017 is not available.

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

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017
0.04780000%	0.04809760%	0.04764460%
$1,326,101	$1,290,813	$1,358,047
$1,594,696	$1,515,707	$1,507,907
83.16%	85.16%	90.06%
13.57%	12.46%	11.49%

Patrick Henry Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Seven Fiscal Years (1)

	2023	2022	2021	2020
School District's Proportion of the Net OPEB Liability (Asset)	0.040516710%	0.040067924%	0.03898154%	0.03900860%
School District's Proportionate Share of the Net OPEB Liability (Asset)	($1,049,111)	($844,799)	($685,101)	($646,076)
School District's Employee Payroll	$5,144,829	$5,021,207	$4,698,493	$4,634,071
School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Employee Payroll	-20.39%	-16.82%	-14.58%	-13.94%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	230.70%	174.70%	182.10%	174.70%

(1) Information prior to 2017 is not available.

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

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017
0.03961305%	0.03903293%	0.03808075%
($636,541)	$1,522,921	$2,036,568
$4,499,107	$4,339,564	$4,042,800
-14.15%	35.09%	50.38%
176.00%	47.10%	37.30%

Patrick Henry Local School District
Required Supplementary Information
Schedule of the School District's Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
Net Pension Liability				
Contractually Required Contribution	$277,379	$247,745	$253,196	$240,608
Contributions in Relation to the Contractually Required Contribution	(277,379)	(247,745)	(253,196)	(240,608)
Contribution Deficiency (Excess)	$0	$0	$0	$0
School District Employee Payroll	$1,981,279	$1,769,607	$1,808,543	$1,718,629
Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution (2)	$35,886	$31,938	$33,468	$32,620
Contributions in Relation to the Contractually Required Contribution	(35,886)	(31,938)	(33,468)	(32,620)
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Employee Payroll	1.81%	1.80%	1.85%	1.90%
Total Contributions as a Percentage of Employee Payroll (2)	15.81%	15.80%	15.85%	15.90%

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

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
$225,146	$215,284	$212,199	$211,107	$179,518	$157,333
(225,146)	(215,284)	(212,199)	(211,107)	(179,518)	(157,333)
$0	$0	$0	$0	$0	$0
$1,667,748	$1,594,696	$1,515,707	$1,507,907	$1,362,049	$1,135,160
13.50%	13.50%	14.00%	14.00%	13.18%	13.86%
$38,021	$33,731	$25,547	$23,834	$34,916	$23,872
(38,021)	(33,731)	(25,547)	(23,834)	(34,916)	(23,872)
$0	$0	$0	$0	$0	$0
2.28%	2.12%	1.69%	1.58%	2.56%	2.10%
15.78%	15.62%	15.69%	15.58%	15.74%	15.96%

Patrick Henry Local School District
Required Supplementary Information
Schedule of the School District's Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
Net Pension Liability				
Contractually Required Contribution	$751,088	$720,276	$702,969	$657,789
Contributions in Relation to the Contractually Required Contribution	(751,088)	(720,276)	(702,969)	(657,789)
Contribution Deficiency (Excess)	$0	$0	$0	$0
School District Employee Payroll	$5,364,914	$5,144,829	$5,021,207	$4,698,493
Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Employee Payroll	0.00%	0.00%	0.00%	0.00%
Total Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	14.00%

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
$648,770	$629,875	$607,539	$565,992	$557,915	$514,724
(648,770)	(629,875)	(607,539)	(565,992)	(557,915)	(514,724)
$0	$0	$0	$0	$0	$0
$4,634,071	$4,499,107	$4,339,564	$4,042,800	$3,985,107	$3,959,415
14.00%	14.00%	14.00%	14.00%	14.00%	13.00%
$0	$0	$0	$0	$0	$39,594
0	0	0	0	0	(39,594)
$0	$0	$0	$0	$0	$0
0.00%	0.00%	0.00%	0.00%	0.00%	1.00%
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Net Pension Liability

Changes in Assumptions - SERS

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

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

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

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

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

Changes in Assumptions - STRS

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

	Fiscal Year 2022	Fiscal Years 2021-2018	Fiscal Year 2017 and Prior
Inflation	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	From 2.5 percent to 12.5 percent based on age	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, ,2013 or later, 2 percent COLA commences on fifth anniversary of retirement date

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

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

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

Changes in Benefit Term - STRS Pension

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

Net OPEB Liability

Changes in Assumptions - SERS

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

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

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

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

Changes in Assumptions - STRS

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

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

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

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

Changes in Benefit Terms - STRS OPEB

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

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

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

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

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

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

PATRICK HENRY LOCAL SCHOOL DISTRICT
HENRY COUNTY

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

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal AL Number**	**Passed Through to Subrecipients**	**Total Federal Expenditures**
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553		$29,795
National School Lunch Program	10.555		
Cash Assistance			252,159
Non-Cash Assistance (Food Distribution)			44,895
Total National School Lunch Program			297,054
Total Child Nutrition Cluster			326,849
COVID-19 Pandemic EBT Administrative Costs	10.649		628
Total U.S. Department of Agriculture			**327,477**
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education			
Title I Grants to Local Educational Agencies	84.010		177,518
Special Education Cluster (IDEA):			
Special Education Grants to States (IDEA, Part B)	84.027	$207,725	250,632
Special Education Preschool Grants (IDEA, Preschool)	84.173	5,067	8,243
Total Special Education Cluster (IDEA)		212,792	258,875
Twenty-First Century Community Learning Centers	84.287		6,322
Student Support and Academic Enrichment Program	84.424		13,465
Improving Teacher Quality State Grants	84.367		25,719
English Language Acquisition State Grants	84.365	1,504	1,504
COVID-19 Education Stabilization Fund:			
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D		270,401
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U		767,461
Total COVID-19 Education Stabilization Fund			1,037,862
Total U.S. Department of Education		**214,296**	**1,521,265**
FEDERAL COMMUNICATIONS COMMISSION			
Direct Assistance			
Emergency Connectivity Fund Program	32.009		12,828
Total Federal Communications Commission			**12,828**
Total Expenditures of Federal Awards		**$214,296**	**$1,861,570**

The accompanying notes are an integral part of this schedule.

PATRICK HENRY LOCAL SCHOOL DISTRICT
HENRY COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL 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 Patrick Henry Local School District, Henry County, Ohio (the School District) 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 School District, it is not intended to and does not present the financial position or changes in net position of the School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D – SUBRECIPIENTS

The School District passes certain federal awards received from the Ohio Department of Education to other governments or not-for-profit agencies (subrecipients). As Note B describes, the School District reports expenditures of Federal awards to subrecipients when paid in cash.

As a pass-through entity, the School District 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.

NOTE E – CHILD NUTRITION CLUSTER

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

NOTE F – FOOD DONATION PROGRAM

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

NOTE G – TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The School District transferred the following amounts from 2023 to 2024 programs:

Program Title	AL Number	Amt. Transferred
Title I Grants to Local Educational Agencies	84.010	$ 12,788

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

Patrick Henry Local School District
Henry County
6900 State Route 18
Hamler, Ohio 43524-9781

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Patrick Henry Local School District, Henry County, Ohio, (the School District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated January 24, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

January 24, 2024

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Patrick Henry Local School District
Henry County
6900 State Route 18
Hamler, Ohio 43524-9781

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Patrick Henry Local School District, Henry County, Ohio's, (the School District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Patrick Henry Local School District's major federal program for the year ended June 30, 2023. Patrick Henry Local School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Patrick Henry Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

January 24, 2024

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PATRICK HENRY LOCAL SCHOOL DISTRICT
HENRY 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 weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Education Stabilization Fund
(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?**	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

Patrick Henry Local Schools

Create an environment where all students discover their personal best in every opportunity.

Patrick Henry Local Schools
Phone: 419.274.3015
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https://www.phpatriots.org/

Superintendent
Dr. Josh Biederstedt
jbiederstedt@phpatriots.org

Treasurer
Breanna DeWit
bdewit@phpatriots.org

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
JUNE 30, 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	Ohio Rev. Code § 5705.39 for appropriations exceeding estimated resources.	Fully corrected.	
2022-002	Finding for recovery resolved under audit due to the School District not withholding the employee portion of State Teachers Retirement System contributions for some employees.	Fully corrected.	

OHIO AUDITOR OF STATE
KEITH FABER

PATRICK HENRY LOCAL SCHOOL DISTRICT

HENRY 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 2/6/2024

88 East Broad Street, Columbus, Ohio 43215
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