



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2023

OHIO AUDITOR OF STATE
KEITH FABER



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Board of Education
Toledo City School District
1609 North Summit Street
Toledo, Ohio 43604

We have reviewed the *Independent Auditors' Report* of the Toledo City School District, Lucas County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2022 through June 30, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The Auditor of State is conducting an investigation, which is on-going as of the date of this report. Dependent on the outcome of the investigation, results may be reported on at a later date.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

February 08, 2024

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Toledo City School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Federal Grantor/Program Title</u>	<u>Federal ALN</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
<i>(Passed through Ohio Department of Education)</i>			
Child Nutrition Cluster:			
<i>Non-Cash Assistance (Food Distribution):</i>			
National School Lunch Program	10.555	-	\$ 1,028,218
<i>Cash Assistance:</i>			
School Breakfast Program	10.553	-	2,332,088
National School Lunch Program	10.555	-	7,744,206
COVID-19 - National School Lunch Program	10.555	-	501,369
Fresh Fruit and Vegetable Program	10.582	-	807,377
Total Child Nutrition Cluster		<u>-</u>	<u>12,413,258</u>
Child and Adult Care Food Program	10.558	-	693,573
Child Nutrition Discretionary Grants Limited Availability	10.579	-	30,573
Total U.S. Department of Agriculture		<u>-</u>	<u>13,137,404</u>
<u>U.S. Environmental Protection Agency</u>			
<i>(Passed through State of Ohio Environmental Protection Agency)</i>			
Great Lake Restoration Initiative	66.469	-	37,174
Total U.S. Environmental Protection Agency		<u>-</u>	<u>37,174</u>
<u>U.S. Department of Health and Human Services:</u>			
Head Start Cluster:			
Head Start	93.600	3,668,289	13,962,683
Total Head Start Cluster		<u>3,668,289</u>	<u>13,962,683</u>
Temporary Assistance for Needy Families	93.558	-	80,068
Total U.S. Department of Health and Human Services		<u>3,668,289</u>	<u>14,042,751</u>
<u>U.S. Department of Education:</u>			
Student Financial Assistance Cluster			
Federal Pell Grant Program	84.063	-	129,785
Federal Direct Student Loans	84.268	-	429,572
Student Financial Aid Cluster Total		<u>-</u>	<u>559,357</u>
<i>(Passed through Ohio Department of Education)</i>			
Title I Grants to Local Educational Agencies	84.010A	-	21,711,084
See accompanying notes to the schedule of expenditures of federal awards.			(Continued)

Toledo City School District
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2023

<u>Federal Grantor/Program Title</u>	<u>Federal ALN</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education: (continued)</u>			
<i>(Passed through Ohio Department of Education) (continued)</i>			
Special Education Cluster:			
Special Education - Grants to States (IDEA, Part B)	84.027A	-	7,532,568
COVID-19 - American Rescue Plan Special Education - Grants to States	84.027X	-	1,017,340
Special Education - Preschool Grants (IDEA Preschool)	84.173A	-	113,166
COVID-19 - American Rescue Plan Special Education - Preschool Grants	84.173X	-	80,723
Special Education Cluster Total		<u>-</u>	<u>8,743,798</u>
 Innovative Approaches to Literacy	 84.215K	 -	 93,224
 Vocational Education Basic Grants to State	 84.048A	 -	 1,367,491
 Supporting Effective Instruction State Grants	 84.367A	 -	 1,551,170
 English Language Acquisition State Grants	 84.365A	 -	 64,193
 Teach and School Leader Incentive Grants	 84.374A	 -	 3,668,573
 School Improvement Grants	 84.377A	 -	 -
 Student Support and Academic Enrichment Program	 84.424A	 -	 1,440,021
 Comprehensive Literacy Development	 84.371C	 -	 362,035
 Education Stabilization Fund			
COVID-19 - Elementary and Secondary School Emergency Relief Fund I	84.425C	-	695,102
COVID-19 - Elementary and Secondary School Emergency Relief Fund II	84.425D	-	4,117,413
COVID-19 - Elementary and Secondary School Emergency Relief Fund III	84.425U	-	53,998,202
COVID-19 - ARP Homeless I	84.425W	-	440,193
Total Education Stabilization Fund		<u>-</u>	<u>59,250,910</u>
 Total U.S. Department of Education		<u>-</u>	<u>98,811,856</u>
 Total Federal Awards		<u>\$ 3,668,289</u>	<u>\$ 126,029,185</u>

See accompanying notes to the schedule of expenditures of federal awards.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Toledo City School District (the "District") under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented 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 District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B - 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE C - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the entitlement value of the commodities received and disbursed.

NOTE D - CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE E - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE F - SUBRECIPIENTS

The District passes certain federal awards received from the U.S. Department of Health and Human Services to other governments or not-for-profit agencies (subrecipients). As Note B describes, the District reports receipts and expenditures of Federal awards to subrecipients when paid in cash. As a subrecipient, the 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 those subrecipients achieve the award's performance goals.

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

To the Board of Education
Toledo City School District:

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 *Governmental 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 the Toledo City School District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2023.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did identify a certain deficiency in internal controls, described as finding 2023-001 in the accompanying schedule of findings and questions costs, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

District's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 result of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Maumee, Ohio

December 22, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

To the Board of Education
Toledo City School District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Toledo City School District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We have issued our report thereon dated December 22, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Clark, Schaefer, Hackett & Co.

Maumee, Ohio
December 22, 2023

TOLEDO CITY SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
• ALN 84.425C, 84.425D, 84.425U, and 84.425W – COVID-19 Education Stabilization Fund	
• ALN 93.600 – Head Start	
Dollar threshold to distinguish between Type A and Type B Programs:	\$3,000,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

Finding 2023-001 – Audit Adjustments

Condition: During the course of our audit, we identified a misstatement that was material in the aggregate. This misstatement was a result of the Generally Accepted Accounting Principles (GAAP) conversion process and involved interest receivables and investment earnings. 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 deficiency in operation exists when a properly designed control does not operate as designed. In this case, the internal controls

over the preparation and review of the District's financial statements did not operate as designed and we consider this a material weakness.

Recommendation: We recommend the District continue to enhance its internal controls over financial reporting with steps such as management analysis of the financials compared to prior years to ensure the preparation of reliable financial statements in conformity with generally accepted accounting principles.

Management's Response: The District has established internal controls to monitor all activity on a more frequent basis to ensure accumulated variances are identified and remedied immediately.

Section III – Federal Award Findings and Questioned Costs

None



Toledo Public Schools
 Office of the Treasurer
 Toledo Public Schools Educational Campus
 1609 N. Summit Street • Toledo, Ohio 43604

December 22, 2023

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
June 30, 2023

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2023-001	The errors notated by the audit firm of Clark, Schaefer, Hackett relating to investment revenue occurred as an error in the method used to calculate this entry. This error led to an overstatement of interest receivable. The error was corrected under audit.	Completed	Seth Sansing, Director of Finance

Lucas County, Ohio



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2023**



Lucas County, Ohio

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

Prepared by:
Mr. Ryan Stechschulte, Treasurer



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LUCAS COUNTY, OHIO**

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INTRODUCTORY SECTION





TOLEDO PUBLIC SCHOOL DISTRICT

Toledo Public Schools Educational Campus • 1609 N. Summit Street
Toledo, Ohio 43604

Treasurer's Office: phone (419) 671-0001

fax (419)-671-0082

December 22, 2023

Board of Education Members and Citizens of the Toledo City School District:

As the Superintendent and Treasurer of the Toledo City School District (the District), we are pleased to submit to you this Annual Comprehensive Financial Report (ACFR) of the District. This ACFR, for the year ended June 30, 2023, includes an opinion from Clark, Schaefer, Hackett & Co., conforms to generally accepted accounting principles (GAAP) and is in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report will provide the taxpayers of the Toledo City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to National Municipal Information Repository (NMSIR), State Information Depository (SID), other financial rating services and other interested parties.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Toledo City School District's MD&A can be found immediately following the report of the independent accountants.

In FY23, the district saw a decrease in enrollment. As of June 30, 2023, the School District had 21,163 students (compared to 21,472 as of 2022) enrolled in its 40 K-8 schools, 6 senior high schools and 12 education/specialized learning centers (which provide special curriculums and vocational education and skills programs), making it the fourth largest public school system in the State. For the current academic year the average class size is 24 students (for grades K through 8), and the average pupil/teacher ratio: 24:1. The average building is twenty-seven years old.

TOLEDO PUBLIC SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2023

The District employs (full- and part-time) 2,185 professional staff members and 1,265 nonteaching and support staff employees. Approximately 57% of the members of the teaching staff have master's degrees, and 1% have doctorates. The District's faculty has an average of 12.29 years' teaching experience. The District also operates a central office facility, a maintenance center, a central kitchen, a warehouse and a transportation depot.

The District is organized into learning communities. Each learning community has its own high school and elementary schools that feed into it. Special facilities and School Assistance Centers also support these learning communities. District leadership works with the schools to provide direction for leadership and school management. In addition, the Curriculum Division works to enhance student learning and to drive school reform efforts. Toledo Public Schools is fortunate to have the support of the Parent Congress, an active parent advisory board that collaborates with the Superintendent on a number of current issues, including: parent involvement across the district and developing greater educational opportunities for students.

The District's high schools are fully accredited by the North Central Association of Colleges and Schools. The District's curriculum offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and physical education programs. A full range of extra-curricular programs and activities is available, beginning in the elementary grades. All District schools have libraries, lunch programs and multipurpose rooms or gymnasiums for student activities.

The Board of Education of the Toledo City School District (the Board) is a five-member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars and approves the annual appropriation resolution.

ECONOMIC CONDITIONS AND OUTLOOK

Over three-fourths of North America's car and truck final assembly plants are within 500 miles of Toledo and 35 percent (35%) of these facilities are within 250 miles. Thirty-six percent (36%) of U.S. and nineteen percent (19%) of Canadian transportation equipment manufacturing are within a 250-mile radius of Toledo. In addition, 33 percent (33%) of the U.S. population resides within 500 miles of Toledo. The Toledo Metropolitan Area offers 25 industrial parks, seven of which are located within the Toledo City School District. Statistics indicate that employment in the Toledo area-manufacturing industries represent only about one-fourth of the available jobs in the area. The majority of work is found in non-manufacturing areas such as service industries, retail trade, and government jobs.

Transportation plays an important role in the Toledo area economy. The Port of Toledo is Ohio's largest and most diversified port and one of the nation's largest shippers of coal and grain. The Port offers a foreign trade zone encompassing 300,000 square feet of covered storage area serviced by ship, rail, and truck. Toledo is one of the nation's largest rail hubs with four major lines serving the area. Intrastate and interstate truck services are provided by more than 100 common carriers, including almost all major truck lines, as well as approximately 30 local cartage companies. The Eugene F. Krantz Toledo Express Airport offers both general and commercial aviation services.

TOLEDO PUBLIC SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2023

Lucas County is the home of the Toledo Mud Hens and operates the 10,300 seat Fifth Third Field Stadium, in the Warehouse District. The Mud Hens, a Triple A baseball team, is in the Detroit Tigers farm system. Lucas County's Huntington Center is a multi-purpose arena in downtown Toledo. The arena is located one block from Fifth Third Field and has a seating capacity of 8,000. The arena is home to the ECHL hockey team the Toledo Walleye, a feeder team to the Detroit Red Wings and Chicago Black Hawks. In addition, the arena hosts numerous concerts and shows annually.

The area has diverse recreational, cultural, and educational resources. The City of Toledo has over 100 parks ranging from small neighborhood playgrounds to large centralized parks with full recreational facilities including picnic areas, ball diamonds, tennis courts, and swimming pools. The Maumee River and Lake Erie offer many water sport activities such as boating, sailing, water skiing, and fishing. The Area Metropark System has over 11,000 acres in eighteen locations including the recently opened Glass City Metropark on the East Toledo banks of the Maumee River. Local professional sports include the Toledo Mud Hens Baseball Team, the Toledo Walleye Hockey Team, and the Annual LPGA Golf Tournament. There are over 20 public and private golf courses in the area. The Toledo Zoo ranks among the best in the country. Toledo also boasts the world-renowned Toledo Museum of Art, which houses over 700 paintings, 5,000 pieces of glass, and a nationally respected symphony. The Museum also has a glass exhibit, storage, and research center. Continuing and Advanced Education is available at the University of Toledo, University of Toledo Community and Technical College, UT Health Sciences Campus, Bowling Green State University, Owens Community College, and Lourdes University.

SIGNIFICANT ACCOMPLISHMENTS FOR THE YEAR

The 2022-2023 school year was a year of many highlights for Toledo Public Schools.

Leadership

- Mrs. Chris Varwig was named the president of the Ohio School Boards Association in November 2022, becoming the first TPS board member to serve in that prestigious position. Mrs. Varwig is a passionate advocate for public education and has served on the TPS Board of Education since 2017.
- Dr. Romules Durant, who is celebrating his 10th year as CEO/Superintendent of TPS in December, 2023, was inducted into the City League Hall of Fame in October 2022. He was recognized for his football prowess while a student at Waite High School and for his distinguished playing career at the University of Toledo. Dr. Durant has led TPS to significant academic and operational gains during his decade-long tenure as superintendent.

Career Tech

The Career Tech program had a particularly strong year, with the launch of one innovative program and the debut of the Career Tech Expo:

- **Career Tech Tuesdays** were launched in the fall of 2022. This program provides students with the opportunity to learn about different career pathways and explore their interests. Career Tech

TOLEDO PUBLIC SCHOOL DISTRICT

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For the Fiscal Year Ended June 30, 2023

Tuesdays feature guest speakers from local businesses and industries, as well as hands-on activities and demonstrations.

- **Career Tech Expo:** TPS held its first Career Tech Expo in the spring of 2023. The Expo was a huge success, with more than 1,000 students attending. The Expo featured over 50 different career pathways and allowed students to interact with representatives from local businesses and industries. The expo was renamed NextStep for the 2023-2024 school year and proved to be equally successful when it was held in October 2023.:

175th Anniversary

- **Kick Off Celebration:** TPS kicked off the celebration of its 175th anniversary in the fall of 2022. The year-long lead up to May 8, 2024 (the actual anniversary of the founding of TPS), is serving as an opportunity to reflect on the district's rich history and to look forward to the future.

Magnet Schools

- Toledo Technology Academy of Engineering and Toledo Early College, two of the district's five magnet high schools, were named the top magnet schools in Ohio by *Niche*, a website that provides rankings and reviews of schools, colleges, and neighborhoods. The two TPS schools were recognized for their academic excellence, innovative programs, and diverse student populations. They also earned recognition from the U.S. News and World Report for their academic success.

Educator Academy

- The district announced plans for the creation of an Educator Academy, which will be a stand-alone school opening in the 2024-2025 school year. This program will prepare high school students for careers in education, offering them chances to take college courses, participate in internships, and earn teacher certification.

TPS Foundation

- The TPS Foundation celebrated a major gift campaign in the spring of 2023. The campaign raised more than \$10 million that will be used to support a variety of initiatives, including teacher training, student scholarships, and classroom resources.

Specific Program Successes

- The TPS Early Head Start pilot program, which provides child care for teen moms so they can attend school, was a success. One student in the program passed her STNA state boards and entered fall classes at the University of Toledo.

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For the Fiscal Year Ended June 30, 2023

- The TPS Families Stabilization Program, a partnership with the City of Toledo and Lutheran Social Services, helped to stabilize a total of 482 children, with 396 of them being school-aged. The program has paid a total of \$1,883,287.65 in rent assistance and \$465,202.20 in utility assistance.

Overall Improvement in State Report Card Score

- Toledo Public Schools also saw an overall improvement in its state report card score for the 2022-2023 school year. The district earned 2.5 stars, the highest score the district has earned on the state report card in recent years.

The 2022-2023 school year was a year of growth and progress for Toledo Public Schools. The district is committed to providing its students with the best possible education, and the highlights listed above demonstrate that commitment. The district is grateful for the support of its students and families, as well as staff members and community partners.

DEPARTMENT FOCUS

The Treasurer's Division has continued to show leadership and growth by striving for excellence in developing and implementing sound fiscal management, accounting and reporting standards.

The Ohio Enterprise Zone Act authorizes the City of Toledo (City) and Lucas County (County) to designate areas as Enterprise Zones (EZ's), Community Reinvestment Areas (CRA's) and Tax Incremental Financings (TIF's) and to execute agreements with certain enterprises for the purpose of establishing, expanding, renovating or occupying facilities and hiring new employees and preserving jobs within said zones in exchange for specified local tax incentives. Under the abatement and tax increment financing programs, the City and the County exempt the incremental increase in the value of certain property from ad valorem property taxes in whole or in part for varying periods of time.

In 1995, the School District and the City entered into an agreement pursuant to which the School District is to receive contributions in lieu of taxes from taxpayers granted tax abatements. The Treasurer or his designee is responsible to attend Industrial Development Committee (IDC) meetings held by the City and County to review and approve new tax abatements with local businesses. After approval for abatement, the Treasurer or his designee is also responsible for accounting for all revenue received from the approved company in the form of Contributions in Lieu of Taxes and to report those results to the City of Toledo's or Lucas County's Tax Incentive Review Committee (TIRC) as requested. The TIRC(s) review all tax abatements every calendar year and make recommendations to the City of Toledo's City Council and/or Lucas County Commissioners on the continuation of those incentives. Before March 31 of each year, the TIRC submits a comprehensive annual report to the State of Ohio in accordance with the Ohio Revised Code. The Treasurer or his designee is responsible for forecasting all anticipated revenue from the revenue sharing agreements for inclusion in the District's five year forecast submitted to the Ohio Department of Education in May and November of each year.

The Treasurer, Superintendent and Board President are authorized to enter in School District Payment Agreements outlining the terms of the abatement and the revenue to be received by the District. A separate standardized agreement is executed for each company requesting tax abatement and formalized with a School District Payment Agreement signed by a representative of the abated company, the

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For the Fiscal Year Ended June 30, 2023**

Treasurer, Superintendent and Board President. The school District payment agreement can be found on the Districts’ website through the Board Docs Library. Revenue Sharing Agreements beyond the scope of the standardized agreement must be approved by individual resolution by the Board of Education. All School District Payment Agreements are negotiated to hold the District fiscally harmless had the abatement been granted under applicable laws without the permission of the District.

As of June 30, 2023, there are 32 active abatements with respect to approximately \$108,729,757 of real property in the School District. Nine of the abatements, for approximately \$67,875,707 in value, were made pursuant to an agreement requiring the taxpayer to make payments in lieu of taxes to the City in connection with a tax increment financing. The last of those abatements will expire in 2051. The remaining 23 active abatements, aggregating approximately \$40,854,050 for real property, were generally made pursuant to agreements that require the taxpayer to make contributions in lieu of tax payments to the School District. The last of those abatements is to expire in 2038.

The following table shows the amounts of those contributions received by the School District in recent Fiscal Years:

Fiscal Year	Payments
2013	487,561
2014	495,303
2015	533,601
2016	541,427
2017	511,810
2018	696,798
2019	1,243,060
2020	1,269,538
2021	1,315,878
2022	1,574,058
2023	2,183,559
2024(a)	1,642,348

(a) Estimated.

Since the inception of the revenue sharing program, the District has received \$24,501,462 in contributions in lieu of tax payments.

These Agreements promote the economic welfare of our community by creating new jobs, while retaining and preserving existing jobs and employment opportunities, as facilities are established, expanded, renovated or occupied within designated abatement Zones. It is hoped that the success of these Revenue Sharing Agreements will set the stage for future cooperation between government entities.

As of June 30, 2023, the Toledo City School District has an underlying debt ratings of A- from Fitch Ratings, A1 from Moody’s Investment Service and A+ from Standard and Poor’s. Financial information was provided to all external-rating agencies resulting in the District maintaining the above-mentioned ratings. Financial information was also furnished to the Ohio Municipal Advisory Council (OMAC), which has applied for and received the designation of being the State Information Depository (SID) for the State of Ohio. The establishment of SID provides the State with more uniform central distribution of financial information to debt holders and potential bidders of debt for the Toledo City School District.

TOLEDO PUBLIC SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2023

The District provides annual Continuing Disclosure filings with the appropriate National Municipal Information Repository (NMIR) and SID to keep bondholders of the Ohio School Facilities bond issue abreast of the current financial status of the District.

The Treasurer's Division implemented requirements of the Ohio Legislature as they relate to the mandatory preparation of a Five-Year Revenue and Expenditure Forecast, the multi-year Certification of Estimated Revenues, and the proper identification and appropriation of DPIA Funds. One provision of House Bill 412 requires the Board of Education to submit a Five-Year Financial Forecast to the Ohio Department of Education. The Five-Year Financial Forecast is presented to the Board of Education for adoption each November and May.

An additional provision of the Legislature requires the President of the Board of Education, the Superintendent and the Treasurer to certify that adequate revenue will be available to maintain all personnel, programs, and services essential to the operation of an adequate educational program for the length of each contract up to five years. This certification is attached to all contracts, leases, and other business transactions as required by law. Procedures are in place to ensure compliance.

The Treasurer's Division continues to focus on improving the financial position of the District. The Division has actively studied all possible alternatives to property tax financing, searched for additional revenue sources, and implemented cost saving measures. The Treasurer's Division staff will continue to maintain a high level of service and support, and identify ways to improve communications with their customers. They will continue to improve internal controls, management practices, technology utilization and enhancements, operational efficiencies, and financial processes in order to assure the fiscal integrity of District assets. They will continue to focus on the Board's primary objective of improving educational opportunities for the children in our community.

Other Treasurer goals and objectives that continue to be formulated and put into place include:

- Continue to provide transparency through award winning financial reports and budget documents;
- Improve customer service for all customers – internal and external- from all Treasurer's division Departments;
- Improved communications from, to and between Treasurer's office departments;
- Contribute to District improvement efforts in Leadership Development;
- Contribute to District improvements in effectiveness and efficiency in service delivery;
- Provide and facilitate improved communications, to, from and amongst the Board of Education;
- Develop an "Ethically Conscious" work environment for staff and volunteers;
- Continually utilize technology to generate cost savings, and
- Participate in legislative and community efforts for school funding and other financial impacts to the District.

ACCOUNTING INFORMATION

ACCOUNTING SYSTEM -- The District's accounting system is organized on a fund basis. Each fund is a separate self-balancing accounting entity. The 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. Proprietary and fiduciary funds use the accrual basis of accounting. The District has no component units to account for.

TOLEDO PUBLIC SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2023

INTERNAL CONTROLS -- The Treasurer of the District is responsible for establishing an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Management Team is responsible for assisting with implementation of the established internal controls.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of cost and benefit requires estimates and judgments by management.

SINGLE AUDIT -- As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation and audit by the Treasurer, Management Team and staff of the District.

As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion relating to federal financial assistance programs, as well as to verify that the District has complied with applicable laws and regulations.

BUDGETARY CONTROLS

All governmental fund types are subject to annual expenditure budgets. The legal level of budgetary control is at the fund level. The procedures below outline the District's budgetary procedures:

The district is required to pass an annual appropriations measure by September 30, upon receipt of the county auditor's final tax revenue estimates for the period July 1 to June 30. Unencumbered appropriations lapse at year-end and encumbered appropriations are reported as expenditures in the current year. The Board adopts temporary appropriations at its June Board meeting to cover expenditures until the adoption of the permanent appropriations. The appropriations measure may be amended or supplemented during the year as new information becomes available. Individual buildings and/or departments are given building budgeting funds for instructional supplies, custodial supplies, meeting and mileage expenses, and equipment. Buildings and/or departments may move funds within their budgets with approval of the Superintendent and Treasurer. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund.

Additionally, the District maintains an encumbrance accounting system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation.

TOLEDO PUBLIC SCHOOL DISTRICT

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2023***

OTHER INFORMATION

Community Schools: There are twenty-five community schools operating independently within the District's boundaries. Their funding is deducted from the State support the District receives, and transferred to the community schools directly. The amount deducted is per pupil who resides in the District and chooses to attend a community school.

Independent Audit: State statutes require an annual audit by independent accountants. The firm of Clark Schaefer Hackett conducted the audit for the Fiscal Year ended June 30, 2023. The Auditor's Audit Opinion is on the Basic Financial Statements. The introductory section and statistical tables are not a required part of the opinion and no opinion is rendered on those sections.

Awards: The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Toledo City School District for its Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ended June 30, 2022. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR) that conforms to program standards. An ACFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement award is valid for a period of one year. The Toledo City School District has received a Certificate of Achievement for the past thirty-three years (1989-2022). We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA for consideration.

The Toledo City School District also received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for its Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2022. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. An expert ASBO Panel of Review consisting of Certified Public Accountants and practicing school business officials, grants the award, only after an intensive review of financial reports. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. A Certificate of Excellence is valid for a period of one year only. This is the twentieth year the District has received the Certificate of Excellence. We believe our current report continues to conform to the Certificate of Excellence requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

The district also won the Meritorious Budget Award from the Association of School Business Officials for their fiscal year 2023 budget document.

TOLEDO PUBLIC SCHOOL DISTRICT

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2023***

Acknowledgment: Preparation of this report would not have been possible without the joint cooperation of all Divisions in the District. We would like to specifically acknowledge the following individuals within the Treasurer's Division and the Business Division: Joseph Corfman, Assistant Treasurer, W. Paul Overman, Jr., Director of Treasury Management, Lindsey Cunningham, Director, Office of Management and Budget, and James Gant, Deputy Superintendent. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. for their assistance in preparing this report. Special recognition is extended to Seth Sansing, Director of Accounting and Finance, and Mary-Beth Matthews, Communications Manager, for their efforts in preparing this report.

Finally, we would like to express our appreciation to the Board Members for their fiscal integrity and continued support.

Sincerely,



Romules Durant, Ed. D
Superintendent and CEO



Ryan Stechschulte
Treasurer of the Board

TOLEDO PUBLIC SCHOOL DISTRICT

Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June 30, 2023

Members of the Board of Education

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Toledo City School District are:

	<u>Began Service as a Board Member</u>	<u>Present Term Expires</u>
Sheena Barnes, President	01/01/2020	12/31/2023
Randall Parker III, Vice President	Appointed 01/06/2022	12/31/2023
Bob Vasquez, Member	Appointed 2008	12/31/2025
Chris Varwig, Member	01/01/2014	12/31/2025
Polly Taylor-Gerken, Member	01/01/2014	12/31/2025

Superintendent

The Superintendent serves as the Chief Executive Officer of the School District and serves as one of the chief advisors to the Board of Education. He is responsible for providing leadership in all aspects of the educational programs and initiatives that are instituted by the district. The Superintendent is also responsible for administering policies which are formulated and adopted by the Board of Education. Dr. Romulus Durant became the 30th Superintendent for Toledo Public Schools on August 1, 2013. A native of Toledo, Dr. Durant continues to move the school district to the next level of success by increasing vocational opportunities for district students in a variety of fields as well as continuing to increase post-secondary educational opportunities. A proud graduate of Waite High School, one of the District's traditional high schools, Dr. Durant began working for Toledo Public Schools in 1999 as a classroom teacher. From there, he became an assistant principal, a principal and then assistant superintendent.

Treasurer

The Treasurer serves as the Chief Fiscal Officer of the District and Secretary to the Board of Education. The Treasurer receives, accounts for, and disburses all District funds as required by applicable laws in accordance with Board policies and regulations. Ryan Stechschulte was named District Treasurer effective on July 1, 2015 with his contract expiring July 31, 2024.

TOLEDO PUBLIC SCHOOL DISTRICT

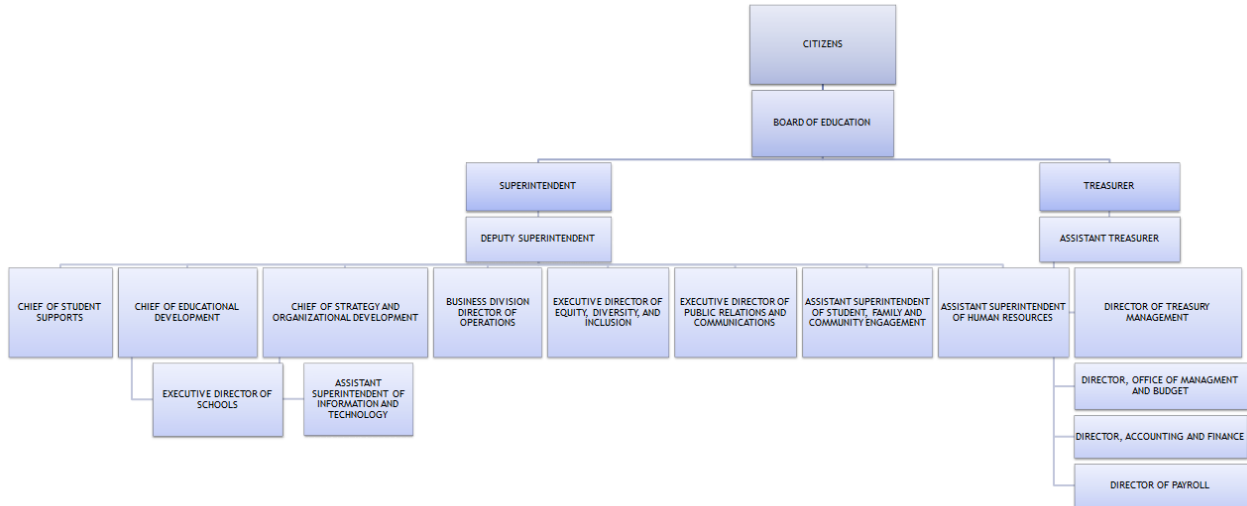
***School District Management Team
For the Fiscal Year Ended June 30, 2023***

Management Team Members

Dr. Romulus Durant	Superintendent
Ryan Stechschulte	Treasurer of the Board
James E. Gault	Chief of Educational Development
Treva Jeffries	Assistant Superintendent, Human Resources
Angela Jordan	Executive Assistant to the Superintendent
James Gant	Deputy Superintendent
Joseph Corfman	Assistant Treasurer
Brian Murphy	Chief of Strategy and Organizational Development
Chad Henderly	Assistant Superintendent of Information & Technology
Amy Allen	Chief of Student Supports
Linda Ruiz Bringman	Assistant Superintendent of Student, Family and Community Engagement

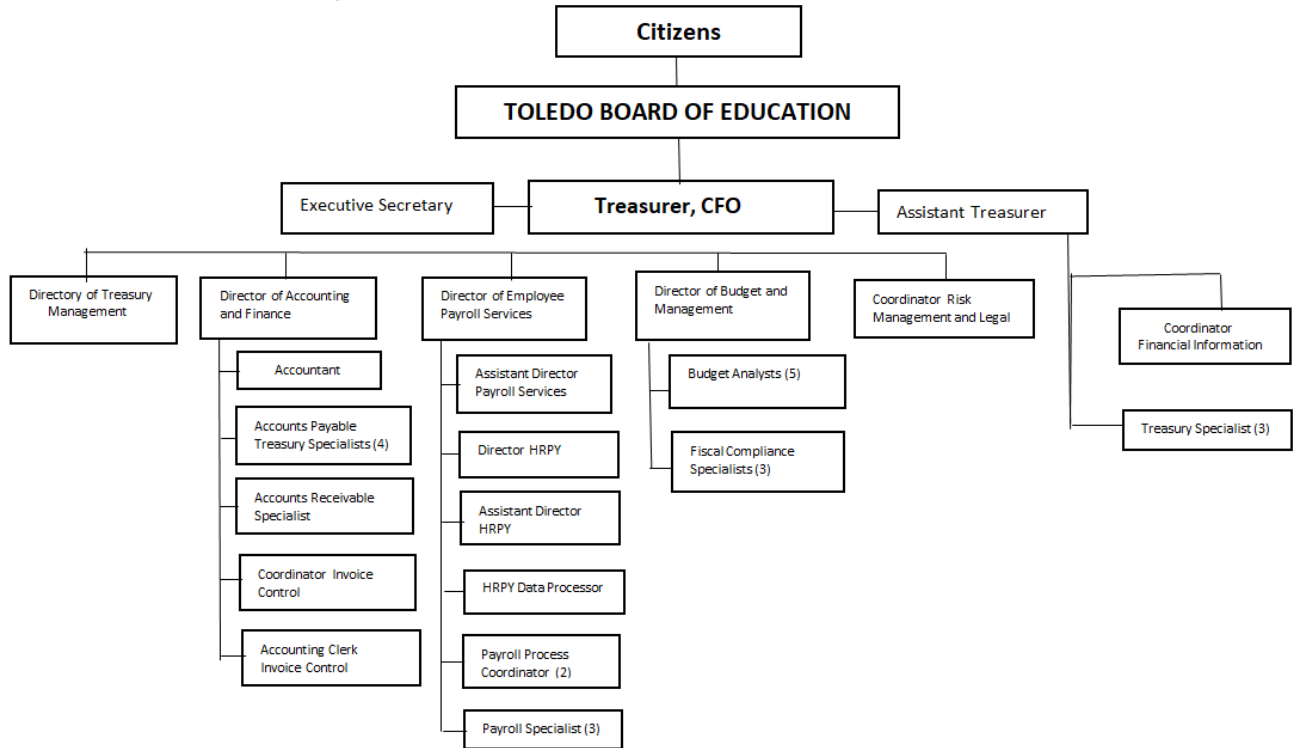
TOLEDO PUBLIC SCHOOL DISTRICT

**School District Organizational Chart
For the Fiscal Year Ended June 30, 2023**



TOLEDO PUBLIC SCHOOL DISTRICT

***Treasurer's Division Organizational Chart
For the Fiscal Year Ended June 30, 2023***





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Toledo City School District
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



**The Certificate of Excellence in Financial Reporting
is presented to**

Toledo City School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



John W. Hutchison
CAE
President

Siobhán McMahon,
Chief Operations Officer/
Interim Executive Director

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Board of Education
Toledo City School District:

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 the Toledo City School District (the "District") as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the 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 the District as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and ESSER Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 these 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may rise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 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 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, schedules of net pension and OPEB liabilities/(assets), and pension and OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Maumee, Ohio
December 22, 2023



TOLEDO PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2023

Unaudited

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

FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 are as follows:

- ❑ Overall, the District's financial position has decreased from 2022 to 2023, with a decrease in net position of \$14,673,466.
- ❑ General revenues accounted for \$342,759,283 in revenue or 74.3% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$118,725,172 or 25.7% of total revenues of \$461,484,455.
- ❑ The District had \$476,157,921 in expenses related to governmental activities; only \$118,725,172 of these expenses were offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$121,672,087 and unrestricted state and federal revenues totaling \$222,590,400), plus investment earnings and miscellaneous revenues were not adequate to provide for these programs.
- ❑ The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at June 30, 2023 by \$213,647,911 (net position). The District's total net position decreased by \$14,673,466 in fiscal year 2023.
- ❑ The general fund had \$329,767,167 in revenues and other financing sources, \$357,282,796 in expenditures and \$5,103,214 in transfers out, resulting in the general fund balance decreasing by \$32,618,843 to \$81,424,649. This decrease is mostly attributable to a large transfer out in the amount of \$5,000,000 to the Administrative Services Health Insurance Fund and a large increase in expenditures across all departments within the District including significant salary increases and various district initiatives.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Annual Report consists of three parts – management's discussion and analysis, the basic financial statements, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

TOLEDO PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2023

Unaudited

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the District as a whole using accepted methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net-position (the difference between the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources) are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, and student enrollment growth and facility conditions.

The government-wide financial statements of the District fall into one category:

- *Governmental Activities* – All of the District's programs and services are reported here including instruction, support services, non-instructional and extracurricular activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance

TOLEDO PUBLIC SCHOOL DISTRICT

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Unaudited

educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds – The District uses internal service funds to report activities that provide supplies and services for the District’s other programs and activities. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

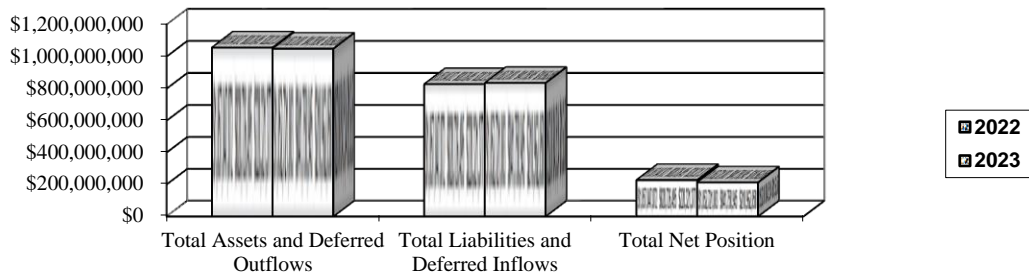
Fiduciary Funds – The District is the trustee, or fiduciary, for various scholarship programs and other items listed as custodial and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the District’s other financial statements because the assets cannot be utilized by the District to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District’s net position for 2023 compared to 2022:

	Governmental Activities		Increase (Decrease)
	2023	2022	
Current and Other Assets	\$341,584,283	\$388,485,492	(\$46,901,209)
Net OPEB Asset	36,424,006	29,906,763	6,517,243
Capital Assets, Net	542,950,010	500,030,948	42,919,062
Total Assets	<u>920,958,299</u>	<u>918,423,203</u>	<u>2,535,096</u>
Deferred Loss on Debt Refunding	5,511,087	6,062,196	(551,109)
Pension	112,160,170	120,274,268	(8,114,098)
OPEB	11,177,925	12,288,205	(1,110,280)
Total Deferred Outflows of Resources	<u>128,849,182</u>	<u>138,624,669</u>	<u>(9,775,487)</u>
Net Pension Liability	406,756,695	244,385,742	162,370,953
Net OPEB Liability	23,630,803	30,903,244	(7,272,441)
Other Long-Term Liabilities	131,254,380	132,195,050	(940,670)
Other Liabilities	71,635,088	65,958,440	5,676,648
Total liabilities	<u>633,276,966</u>	<u>473,442,476</u>	<u>159,834,490</u>
Property Tax Levy for Next Fiscal Year	108,356,518	106,332,705	2,023,813
Leases	2,371,602	3,858,599	(1,486,997)
Pension	35,020,951	191,758,256	(156,737,305)
OPEB	57,133,533	53,334,459	3,799,074
Total Deferred Inflows of Resources	<u>202,882,604</u>	<u>355,284,019</u>	<u>(152,401,415)</u>
Net Position:			
Net Investment in Capital Assets	447,792,567	400,506,261	47,286,306
Restricted	55,930,989	55,706,620	224,369
Unrestricted (Deficit)	(290,075,645)	(227,891,504)	(62,184,141)
Total Net Position	<u>\$213,647,911</u>	<u>\$228,321,377</u>	<u>(\$14,673,466)</u>

Toledo City Schools Governmental Activities



The net pension liability is reported by the District pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The net OPEB liability/asset is reported by the District pursuant to GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

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

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the District’s proportionate share of each plan’s collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the 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 healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

TOLEDO PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2023

Unaudited

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

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

In accordance with GASB 68 and GASB 75, the 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 inflows/outflows.

At fiscal year-end for governmental activities, capital assets represented 59% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture, fixtures, equipment, lease assets and vehicles, and intangible right-to-use assets. Net investment in capital assets, at June 30, 2023 was \$447,792,567. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$47,186,829, represents resources that are subject to external restriction on how they may be used. Excluding the effect of GASB 68 and GASB 75, the District has approximately \$81 million in unrestricted net position which may be used to meet the District's ongoing obligations to the students and creditors.

TOLEDO PUBLIC SCHOOL DISTRICT**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023****Unaudited**

Changes in Net Position – The following table shows the net position for the fiscal year 2023 compared to 2022:

	Governmental Activities		Increase (Decrease)
	2023	2022	
Revenues			
Program revenues:			
Charges for Services	\$10,432,931	\$9,051,707	\$1,381,224
Operating Grants	101,400,428	108,773,599	(7,373,171)
Capital Grants and Contributions	6,891,813	129,850	6,761,963
General revenues:			
Property Taxes	121,672,087	122,914,729	(1,242,642)
Grants and Entitlements	222,590,400	224,590,345	(1,999,945)
Other	(1,503,204)	4,219,642	(5,722,846)
Total revenues	461,484,455	469,679,872	(8,195,417)
Program Expenses			
Instruction	232,261,909	226,158,614	6,103,295
Support Services	193,276,401	163,907,557	29,368,844
Non-Instructional Services	41,055,595	28,131,394	12,924,201
Extracurricular Activities	6,053,037	4,273,828	1,779,209
Interest and Fiscal Charges	3,510,979	1,667,768	1,843,211
Total expenses	476,157,921	424,139,161	52,018,760
Total Change in Net Position	(14,673,466)	45,540,711	(60,214,177)
Beginning Net Position	228,321,377	182,780,666	45,540,711
Ending Net Position	\$213,647,911	\$228,321,377	(\$14,673,466)

TOLEDO PUBLIC SCHOOL DISTRICT

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Unaudited

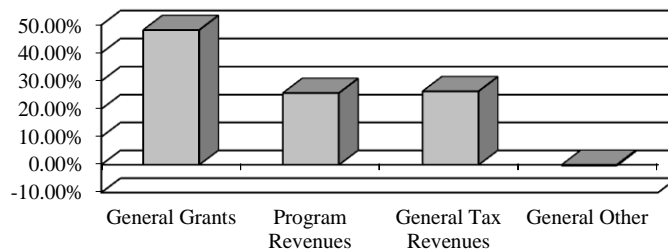
Governmental Activities

Net position of the District’s governmental activities decreased \$14,673,466. Much of this decrease can be attributed to significant salary increases in both instruction and support services positions and various District initiatives.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home value at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service.

Property taxes made up 26.37% of revenues for governmental activities for the Toledo City School District in fiscal year 2023. The breakdown of the District’s revenue sources is:

Revenue Sources	2023	Percent of Total
General Grants	\$222,590,400	48.23%
Program Revenues	118,725,172	25.73%
General Tax Revenues	121,672,087	26.37%
General Other	(1,503,204)	-0.33%
Total Revenue	\$461,484,455	100.00%



TOLEDO PUBLIC SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$94,312,047, which is a decrease from last year's total of \$125,847,542. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2023 and 2022.

	Fund Balance June 30, 2023	Fund Balance June 30, 2022	Increase (Decrease)
General	\$81,424,649	\$114,043,492	(\$32,618,843)
ESSER	(9,454,579)	(11,151,492)	1,696,913
Nonmajor Funds	22,341,977	22,955,542	(613,565)
Total	<u>\$94,312,047</u>	<u>\$125,847,542</u>	<u>(\$31,535,495)</u>

There was a larger decrease in the General Fund balance in the current year when compared to the previous year. Some of this can be attributed to a large transfer out from the General Fund to the District's Administrative Services Health Insurance Fund during the year along with significant salary increases and various district initiatives.

Much of the overall decrease in total fund balances can be attributed a two percent across the board salary increase along with district initiatives focused on career technical education.

There was an increase in fund balance in the ESSER Fund. The monies in this fund are spent and then reimbursed through the State Department of Education. Many of these expenditures were booked as part of the 2022 report, while the School District waited for the reimbursements that were received during the 2023 fiscal period. Thus, there was a decrease in expenditures accompanied by an increase in revenues during the 2023 fiscal year.

TOLEDO PUBLIC SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Unaudited

General Fund – The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2023 Revenues	2022 Revenues	Increase (Decrease)
Taxes	\$106,154,796	\$102,593,286	\$3,561,510
Tuition	1,042,492	930,348	112,144
Transportation Fees	642,088	309,059	333,029
Investment Earnings	(1,327,614)	2,376,549	(3,704,163)
Extracurricular Activities	244,595	206,410	38,185
Class Materials and Fees	24,493	32,300	(7,807)
Intergovernmental - State	206,599,109	203,961,059	2,638,050
Intergovernmental - Federal	430,699	3,172,603	(2,741,904)
All Other Revenue	5,272,046	4,316,316	955,730
Total	\$319,082,704	\$317,897,930	\$1,184,774

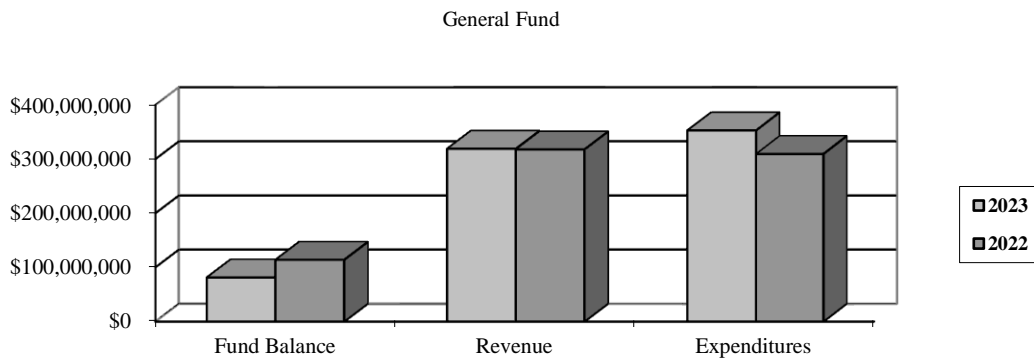
During fiscal year 2023 total General Fund revenues had a slight increase from 2022. Much of the increase during the year was offset by the decrease in investment earnings and the District's decrease in investment market values during the year.

	2023 Expenditures	2022 Expenditures	Increase (Decrease)
Instruction	\$188,495,300	\$181,369,660	\$7,125,640
Supporting Services	161,817,251	123,973,022	37,844,229
Non-Instructional Services	716,672	917,462	(200,790)
Extracurricular Activities	3,567,483	2,958,777	608,706
Capital Outlay	1,114,106	291,964	822,142
Debt Service:			
Principal Retirement	1,333,690	0	1,333,690
Interest & Fiscal Charges	238,294	0	238,294
Total	\$357,282,796	\$309,510,885	\$47,771,911

TOLEDO PUBLIC SCHOOL DISTRICT

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Unaudited



During fiscal year 2023 total General Fund expenditures increased by 15.4%. The increase to the General Fund expenditures can be attributed to a large transfer out from the General Fund to the District’s Administrative Services Health Insurance Fund during the year and significant salary increases.

The District’s budget is prepared according to Ohio law and is based on accounting for transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The legal level of control established by the Board of Education is at the fund level.

A final Supplementing/Amending Appropriation Measure was approved prior to the close of the fiscal year.

The following schedule provides a comparison of the final budget estimates compared to the actual, including other financing sources and uses, for the General Fund:

	Original Budget	Final Budget	Actual	Percent of Change
General Fund				
Revenue and other financing sources	\$317,471,897	\$321,693,494	\$323,423,318	0.54%
Expenditures and other financing uses	345,057,788	379,961,948	378,747,909	(0.32%)

The fiscal year 2023 expenditures came in lower than the final budget. This is primarily due to successfully planning and monitoring the budget throughout the fiscal year and making necessary adjustments accordingly.

TOLEDO PUBLIC SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of fiscal 2023 the District had \$542,950,010 net of accumulated depreciation/amortization invested in land, land improvements, buildings, building improvements, machinery and equipment, vehicles, lease assets, intangible right-to-use assets and construction in progress. The following table shows fiscal year 2023 and 2022 balances:

	Governmental Activities		Increase (Decrease)
	2023	2022	
Land	\$13,925,135	\$13,897,335	\$27,800
Construction in Progress	33,535,815	7,485,103	26,050,712
Land Improvements	11,665,977	11,639,267	26,710
Buildings	641,144,069	628,372,089	12,771,980
Building Improvements	41,833,343	38,875,771	2,957,572
Machinery and Equipment	28,411,196	26,674,342	1,736,854
Vehicles	18,592,193	16,398,948	2,193,245
Lease Vehicles	403,583	74,518	329,065
Lease Equipment	524,315	107,775	416,540
Lease Buildings	5,203,133	6,047,838	(844,705)
Intangible Right-to Use Assets	12,923,128	0	12,923,128
Less: Accumulated Depreciation/ Amortization	(265,211,877)	(249,542,038)	(15,669,839)
Totals	<u>\$542,950,010</u>	<u>\$500,030,948</u>	<u>\$42,919,062</u>

For financial reporting purposes the District capitalizes all assets in excess of \$5,000. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 10).

Debt - At June 30, 2023, the District had \$80,205,000 in General Obligation Bonds outstanding, \$7,240,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2023 and 2022:

	2023	2022
Governmental Activities:		
General Obligation Bonds	\$80,205,000	\$87,445,000
Premium on G.O. Bonds	10,987,795	12,216,092
Leases Payable	5,847,480	5,925,791
SBITA Liability	2,656,036	0
Compensated Absences	31,558,069	26,608,167
Totals	<u>\$131,254,380</u>	<u>\$132,195,050</u>

Under current state statutes, the District's debt issue is subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2023, the District's outstanding debt was below the legal limit. Detailed information regarding debt is included in the notes to the basic financial statements (Note 13).

TOLEDO PUBLIC SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023***

Unaudited

ECONOMIC FACTORS

School Districts are required by Ohio law to prepare, and submit to the State Department of Education each year, a five-year financial forecast. The District submitted its last such annual forecast to the Department in November 2023.

The Toledo Federation of Teachers settled their contract with the school district in May 2021 to be effective July 1, 2021 through June 30, 2024. Prior to this agreement, the union was operating under an extension of the previous contract which provided for a 2% increase from January 1, 2020 through June 30, 2021. The new contract beginning July 1, 2021 includes a 2.5% pay increase for year one of the contract followed by a 3.5% increase in year two and a 2% increase in the third year.

The district's management union, Toledo Association of Administrative Personnel (TAAP) settled their contract in December, 2021 effective July 1, 2021 through June 30, 2024. The new contracts includes a 2.5% increase for year one of the contract followed by a 3.5% in year two and 2% in the third year.

The American Federation of State County and Municipal Employees (AFSCME) completed their negotiations with a new contract effective July 1, 2021 through June 30, 2024. The percentage increases are the same as the Toledo Federation of Teachers and the Toledo Association of Administrative Personnel.

As of the November 2023 five-year forecast, the District projects a decreased balance through Fiscal Year 2028.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information please contact Ryan Stechschulte, Treasurer, at Toledo City School District, 1609 N. Summit Street, Toledo, Ohio 43604.



TOLEDO PUBLIC SCHOOL DISTRICT

Statement of Net Position
June 30, 2023

	Governmental Activities
Assets:	
Cash and Cash Equivalents	\$ 155,397,066
Cash with Fiscal Agent	972,219
Receivables:	
Taxes	161,404,272
Accounts	1,465,507
Intergovernmental	19,274,975
Interest	327,337
Leases Receivable	2,371,602
Inventory Held for Resale	371,305
Net OPEB Asset	36,424,006
Capital Assets Not Being Depreciated	47,460,950
Capital Assets Being Depreciated, Net	495,489,060
Total Assets	920,958,299
Deferred Outflows of Resources:	
Deferred Loss on Debt Refunding	5,511,087
OPEB	11,177,925
Pension	112,160,170
Total Deferred Outflows of Resources	128,849,182
Liabilities:	
Accounts Payable	19,391,603
Accrued Wages and Benefits	43,867,512
Intergovernmental Payable	6,777,876
Retainage Payable	972,219
Accrued Interest Payable	625,878
Long Term Liabilities:	
Due Within One Year	10,206,645
Due in More Than One Year:	
Net OPEB Liability	23,630,803
Net Pension Liability	406,756,695
Other Amounts Due in More Than One Year	121,047,735
Total Liabilities	633,276,966
Deferred Inflows of Resources:	
Deferred Revenue - Lease Revenue	2,371,602
Property Tax for Next Fiscal Year	108,356,518
OPEB	57,133,533
Pension	35,020,951
Total Deferred Inflows of Resources	202,882,604

(Continued)

TOLEDO PUBLIC SCHOOL DISTRICT

	Governmental Activities
Net Position:	
Net Investment in Capital Assets	447,792,567
Restricted For:	
Capital Projects	6,198,675
Debt Service	10,781,452
Permanent Fund:	
Expendable	230,507
Nonexpendable	604,246
School Facilities Maintenance	5,537,840
Auxiliary Services	238,758
Head Start	475,741
Student Activities	682,140
Improving Teacher Quality	112,287
Miscellaneous Federal Grants	125,888
Other Purposes	22,404,578
OPEB	8,538,877
Unrestricted (Deficit)	<u>(290,075,645)</u>
Total Net Position	<u>\$ 213,647,911</u>

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

**Statement of Activities
For the Fiscal Year Ended June 30, 2023**

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental Activities:					
Instruction	\$ 232,261,909	\$ 1,058,204	\$ 30,606,858	\$ 6,888,949	\$ (193,707,898)
Support Services	193,276,401	6,370,591	47,128,613	2,864	(139,774,333)
Non-Instructional Services	41,055,595	0	15,586,853	0	(25,468,742)
Extracurricular Activities	6,053,037	3,004,136	8,078,104	0	5,029,203
Interest and Fiscal Charges	3,510,979	0	0	0	(3,510,979)
Totals	<u>\$ 476,157,921</u>	<u>\$ 10,432,931</u>	<u>\$ 101,400,428</u>	<u>\$ 6,891,813</u>	<u>(357,432,749)</u>
General Revenues					
Property Taxes Levied for:					
					107,763,172
					1,028,723
					9,557,322
					3,322,870
					222,590,400
					(2,741,040)
					1,237,836
					<u>342,759,283</u>
					(14,673,466)
					<u>228,321,377</u>
					<u>\$ 213,647,911</u>

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

**Balance Sheet
Governmental Funds
June 30, 2023**

	General	ESSER	Total Nonmajor Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 112,223,215	\$ 0	\$ 23,502,807	\$ 135,726,022
Cash with Fiscal Agent	0	0	972,219	972,219
Receivables:				
Taxes	142,735,699	0	18,668,573	161,404,272
Accounts	1,383,441	0	21,398	1,404,839
Intergovernmental	27,515	9,094,896	10,142,921	19,265,332
Interest	282,739	0	20,719	303,458
Interfund Loan Receivable	6,155,365	0	0	6,155,365
Leases Receivable	2,371,602	0	0	2,371,602
Inventory Held for Resale	98,749	0	272,556	371,305
Total Assets	\$ 265,278,325	\$ 9,094,896	\$ 53,601,193	\$ 327,974,414
Liabilities:				
Accounts Payable	\$ 12,525,888	\$ 2,765,295	\$ 2,753,113	\$ 18,044,296
Accrued Wages and Benefits	27,696,648	2,523,329	4,325,936	34,545,913
Intergovernmental Payable	4,259,703	837,799	1,668,544	6,766,046
Retainage Payable	0	0	972,219	972,219
Interfund Loans Payable	0	3,439,726	2,715,639	6,155,365
Total Liabilities	44,482,239	9,566,149	12,435,451	66,483,839
Deferred Inflows of Resources:				
Unavailable Amounts	40,581,796	8,983,326	6,885,286	56,450,408
Deferred Revenue - Lease Revenue	2,371,602	0	0	2,371,602
Property Tax for Next Fiscal Year	96,418,039	0	11,938,479	108,356,518
Total Deferred Inflows of Resources	139,371,437	8,983,326	18,823,765	167,178,528
Fund Balances:				
Nonspendable	98,749	0	604,246	702,995
Restricted	0	0	22,601,016	22,601,016
Committed	10,000,000	0	0	10,000,000
Assigned	21,185,410	0	0	21,185,410
Unassigned	50,140,490	(9,454,579)	(863,285)	39,822,626
Total Fund Balances	81,424,649	(9,454,579)	22,341,977	94,312,047
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 265,278,325	\$ 9,094,896	\$ 53,601,193	\$ 327,974,414

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

***Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2023***

Total Governmental Fund Balances \$ 94,312,047

***Amounts reported for governmental activities in the
statement of net position are different because***

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. 542,950,010

Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.

Property Taxes	46,490,640	
Intergovernmental	<u>9,959,768</u>	56,450,408

The net pension/OPEB liability is not due and payable in the current period and the net OPEB asset is not available to pay for current expenditures; therefore, the asset, the liability and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows - Pension	112,160,170	
Deferred Inflows - Pension	(35,020,951)	
Deferred Outflows - OPEB	11,177,925	
Deferred Inflows - OPEB	(57,133,533)	
Net Pension Liability	(406,756,695)	
Net OPEB Asset	36,424,006	
Net OPEB Liability	<u>(23,630,803)</u>	(362,779,881)

Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds: it is reported when due. (625,878)

Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 9,084,498

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General Obligation Bonds Payable	(91,192,795)	
Deferred Loss on Debt Issuance	5,511,087	
Leases Payable	(5,847,480)	
SBITA Liability	(2,656,036)	
Compensated Absences Payable	<u>(31,558,069)</u>	<u>(125,743,293)</u>

Net Position of Governmental Activities \$ 213,647,911

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023**

	General	ESSER	Total Nonmajor Funds	Total Governmental Funds
Revenues:				
Local Sources:				
Taxes	\$ 106,154,796	\$ 0	\$ 13,908,915	\$ 120,063,711
Tuition	1,042,492	0	14,849	1,057,341
Transportation Fees	642,088	0	0	642,088
Food Services	0	0	424,832	424,832
Investment Earnings	(1,327,614)	0	(297,056)	(1,624,670)
Extracurricular Activities	244,595	0	576,821	821,416
Class Materials and Fees	24,493	0	863	25,356
Intergovernmental - State	206,599,109	0	8,181,596	214,780,705
Intergovernmental - Federal	430,699	56,958,930	68,132,525	125,522,154
All Other Revenue	5,272,046	0	3,435,262	8,707,308
Total Revenue	319,082,704	56,958,930	94,378,607	470,420,241
Expenditures:				
Current:				
Instruction	188,495,300	14,815,444	20,634,909	223,945,653
Supporting Services	161,817,251	26,113,306	26,149,079	214,079,636
Non-Instructional Services	716,672	615,545	33,308,995	34,641,212
Extracurricular Activities	3,567,483	1,538,275	814,161	5,919,919
Capital Outlay	1,114,106	12,179,447	3,164,598	16,458,151
Debt Service:				
Principal Retirement	1,333,690	0	7,240,000	8,573,690
Interest and Fiscal Charges	238,294	0	3,783,644	4,021,938
Total Expenditures	357,282,796	55,262,017	95,095,386	507,640,199
Excess (Deficiency) of Revenues				
Over Expenditures	(38,200,092)	1,696,913	(716,779)	(37,219,958)
Other Financing Sources (Uses):				
Other Financing Sources - Capital Leases	7,014,789	0	0	7,014,789
Other Financing Sources - SBITA	3,669,674	0	0	3,669,674
Transfers In	0	0	136,576	136,576
Transfers Out	(5,103,214)	0	(33,362)	(5,136,576)
Total Other Financing Sources (Uses)	5,581,249	0	103,214	5,684,463
Net Change in Fund Balance	(32,618,843)	1,696,913	(613,565)	(31,535,495)
Fund Balances at Beginning of Year	114,043,492	(11,151,492)	22,955,542	125,847,542
Fund Balances End of Year	\$ 81,424,649	\$ (9,454,579)	\$ 22,341,977	\$ 94,312,047

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

***Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Fiscal Year Ended June 30, 2023***

Net Change in Fund Balances - Total Governmental Funds \$ (31,535,495)

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	65,989,123	
Depreciation	<u>(18,231,619)</u>	47,757,504

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. (4,838,442)

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. 6,773,048

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes	1,608,376	
Intergovernmental	<u>(16,193,266)</u>	(14,584,890)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 36,403,310

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities. (41,270,726)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in 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 net position.

G.O. Bond Principal Payment	7,240,000	
Lease Principal Payment	320,052	
SBITA Principal Payment	1,013,638	
Lease Obligations Issued	(7,014,789)	
SBITA Obligations Issued	(3,669,674)	
Amortization of Deferred Loss on G.O. Bonds	(551,109)	
Amortization of Premium on G.O. Bonds	<u>1,228,297</u>	(1,433,585)

(Continued)

TOLEDO PUBLIC SCHOOL DISTRICT

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position.

Accrued Interest Payable (166,230)

Some expenses 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.

Increase in Compensated Absences Payable (4,949,902)

The internal service funds are used by management to charge the costs of services to individual funds and is not reported in the statement of activities.

Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.

(6,828,058)

Change in Net Position of Governmental Activities

\$ (14,673,466)

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Revenue from Local Sources	\$ 111,770,799	\$113,992,396	\$116,256,785	\$ 2,264,389
Revenue from State Sources	203,337,064	205,337,064	206,599,109	1,262,045
Revenue from Federal Sources	2,209,004	2,209,004	300,914	(1,908,090)
Total Revenues	317,316,867	321,538,464	323,156,808	1,618,344
Expenditures:				
Current:				
Instructional Services:				
Regular	116,755,728	122,336,769	122,111,595	225,174
Special	55,148,929	54,706,300	54,706,300	0
Vocational Education	11,547,722	11,509,606	11,509,606	0
Other	4,644,043	7,823,362	7,823,362	0
Support Services:				
Pupils	26,536,191	26,038,673	25,952,699	85,974
Instructional Staff	7,526,993	8,847,287	8,685,519	161,768
Board of Education	141,790	122,931	55,290	67,641
Administration	30,460,033	31,480,426	31,480,426	0
Fiscal Services	7,978,987	8,023,804	8,023,804	0
Business	2,596,098	3,072,547	3,072,547	0
Operation and Maintenance of Plant	49,062,140	62,223,317	62,223,317	0
Pupil Transportation	15,703,508	20,979,705	20,979,705	0
Central	11,929,759	12,069,128	11,795,824	273,304
Other Services:				
Community Services	483,228	625,302	625,302	0
Other Operation of Non-Instructional Services	426,137	95,183	54,617	40,566
Academic and Subject Oriented Activities	213,463	213,463	193,083	20,380
Occupation Oriented Activities	117,221	117,187	102,798	14,389
Sport Oriented Activities	3,254,911	3,220,563	2,895,720	324,843
School and Public Service Co-Curricular. Activities	138,907	143,579	143,579	0
Site Improvement Services	300,000	1,174,293	1,174,293	0
Total Expenditures	344,965,788	374,823,425	373,609,386	1,214,039
Excess of Revenues				
Over Expenditures	(27,648,921)	(53,284,961)	(50,452,578)	2,832,383

(Continued)

TOLEDO PUBLIC SCHOOL DISTRICT

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Other Financing Sources (Uses):				
Transfers Out	(92,000)	(5,098,343)	(5,098,343)	0
Advances In	55,000	55,000	13,463	(41,537)
Advances Out	0	(40,180)	(40,180)	0
Refund of Prior Year's Expenditures	100,030	100,030	253,047	153,017
Total Other Financing Sources (Uses):	<u>63,030</u>	<u>(4,983,493)</u>	<u>(4,872,013)</u>	<u>111,480</u>
Net Change in Fund Balance	(27,585,891)	(58,268,454)	(55,324,591)	2,943,863
Fund Balance at Beginning of Year	128,974,703	128,974,703	128,974,703	0
Prior Year Encumbrances	10,582,748	10,582,748	10,582,748	0
Fund Balance at End of Year	<u>\$ 111,971,560</u>	<u>\$ 81,288,997</u>	<u>\$ 84,232,860</u>	<u>\$ 2,943,863</u>

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – ESSER Fund
For the Fiscal Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Revenue from Federal Sources	91,456,851	91,625,645	58,005,925	(33,619,720)
Total Revenues	91,456,851	91,625,645	58,005,925	(33,619,720)
Expenditures:				
Current:				
Instructional Services:				
Regular	55,632,347	24,295,498	13,692,861	10,602,637
Special	10,436,530	14,162,575	4,854,029	9,308,546
Support Services:				
Pupils	734,687	5,328,062	4,998,963	329,099
Instructional Staff	734,768	3,004,349	2,778,250	226,099
Administration	505,516	1,683,339	1,541,398	141,941
Fiscal Services	3,399,900	6,498,961	3,713,274	2,785,687
Operation and Maintenance of Plant	5,471,065	18,056,205	13,131,227	4,924,978
Pupil Transportation	60,000	140,851	140,851	0
Central	196,219	5,819,575	5,819,575	0
Other Services:				
Food Service Operations	0	40,221	40,221	0
Community Services	60,533	598,313	598,313	0
Academic and Subject Oriented Activities	115,990	374,002	320,729	53,273
Occupation Oriented Activities	2,814	16,367	14,042	2,325
Sport Oriented Activities	123,101	1,198,375	1,094,460	103,915
School and Public Service Co-Curricular. Activities	7,511	78,080	75,259	2,821
Site Improvement Services	0	11,550,890	11,550,890	0
Total Expenditures	77,480,981	92,845,663	64,364,342	28,481,321
Net Change in Fund Balance	13,975,870	(1,220,018)	(6,358,417)	(5,138,399)
Fund Balance at Beginning of Year	(21,431,107)	(21,431,107)	(21,431,107)	0
Prior Year Encumbrances	18,541,262	18,541,262	18,541,262	0
Fund Balance at End of Year	\$ 11,086,025	\$ (4,109,863)	\$ (9,248,262)	\$ (5,138,399)

See accompanying notes to the basic financial statements



TOLEDO PUBLIC SCHOOL DISTRICT

***Statement of Net Position
Proprietary Funds
June 30, 2023***

	Governmental Activities - Internal Service Funds
Assets:	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 19,671,044
Receivables:	
Accounts	60,668
Intergovernmental	9,643
Interest	23,879
Total Assets	<u>19,765,234</u>
Liabilities:	
<i>Current Liabilities:</i>	
Accounts Payable	1,347,307
Accrued Wages and Benefits	9,321,599
Intergovernmental Payable	11,830
Total Liabilities	<u>10,680,736</u>
Net Position:	
Unrestricted	<u>9,084,498</u>
Total Net Position	<u>\$ 9,084,498</u>

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

***Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2023***

	Governmental Activities - Internal Service Funds
Operating Revenues:	
Interfund Charges	\$ 59,837,167
Total Operating Revenues	<u>59,837,167</u>
Operating Expenses:	
Personal Services	6,007,113
Purchased Services	64,848,219
Total Operating Expenses	<u>70,855,332</u>
Operating Loss	(11,018,165)
Nonoperating Revenue:	
Investment Earnings	(809,893)
Total Nonoperating Revenue	<u>(809,893)</u>
Loss Before Transfers	(11,828,058)
Transfers In	5,000,000
Total Transfers	<u>5,000,000</u>
Change in Net Position	(6,828,058)
Net Position Beginning of Year	15,912,556
Net Position End of Year	<u><u>\$ 9,084,498</u></u>

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

**Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023**

	Governmental Activities - Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$59,844,741
Cash Payments to Employees for Services and Benefits	(69,142,171)
Net Cash Used by Operating Activities	<u>(9,297,430)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>	
Transfers In from Other Funds	5,000,000
Net Cash Provided by Noncapital Financing Activities	<u>5,000,000</u>
<u>Cash Flows from Investing Activities:</u>	
Receipts of Interest	290,652
Net Cash Provided by Investing Activities	<u>290,652</u>
Net Decrease in Cash and Cash Equivalents	(4,006,778)
Cash and Cash Equivalents at Beginning of Year	23,677,822
Cash and Cash Equivalents at End of Year	<u><u>\$19,671,044</u></u>
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Used by Operating Activities:</u>	
Operating Loss	(\$11,018,165)
Adjustments to Reconcile Operating Loss to	
Net Cash Used by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(16,543)
Decrease in Intergovernmental Receivables	7,461
Increase in Accounts Payable	532,286
Increase in Accrued Wages and Benefits	1,185,992
Increase in Intergovernmental Payables	11,539
Total Adjustments	<u>1,720,735</u>
Net Cash Used by Operating Activities	<u><u>(\$9,297,430)</u></u>

During 2023 the fair value of investments decreased by \$19,230, \$24,475 and \$20,457 in the Health Insurance, Workers' Compensation and Severance Liabilities Funds, respectively.

See accompanying notes to the basic financial statements.

TOLEDO PUBLIC SCHOOL DISTRICT

***Statement of Net Position
Fiduciary Funds
June 30, 2023***

	Private Purpose Trust Special Trust Fund
Assets:	
Cash and Cash Equivalents	\$ 282,250
Total Liabilities	<u>0</u>
Net Position:	
Unrestricted	<u>282,250</u>
Total Net Position	<u><u>\$ 282,250</u></u>

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

***Statement of Changes in Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2023***

	Private Purpose Trust <u>Special Trust Fund</u>
Additions:	
Investment Earnings:	
Interest	\$ 4,862
Total Additions	<u>4,862</u>
Deductions:	
Total Deductions	<u>0</u>
Change in Net Position	4,862
Net Position at Beginning of Year	<u>277,388</u>
Net Position End of Year	<u>\$ 282,250</u>

See accompanying notes to the basic financial statements

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Toledo City School District, Ohio (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the School District's instructional support facilities staffed by approximately 1,348 noncertified and approximately 2,102 certified teaching personnel and administrative employees providing education to 21,163 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39 *"Determining Whether Certain Organizations Are Component Units"*, in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. There were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. Based on the application of the above criteria for a component unit, and the criteria for defining joint ventures set forth under section J50.102 of the 2004 Codification there are no component units or "Joint Ventures." Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings. The District is the sponsor of the Polly Fox and the Phoenix Academies, both charter schools established under Chapter 3314 of the Ohio Revised Code. These community schools are not considered part of the District.

The accounting policies and financial reporting practices of the District conform to Generally Accepted Accounting Principles as applicable to governmental units. The following is a summary of its significant accounting policies.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures (expenses). The various funds are grouped into the categories governmental, proprietary and fiduciary.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

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

ESSER Fund - This fund is used to account for emergency grants received for Covid-19 relief. Funds may be used for providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

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

Proprietary Funds - The proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that 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 balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Internal Service Funds - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The District uses internal service funds to account for employee health insurance, severance pay, workers' compensation, operations of the computer network of the Department of Education and operations that provide goods and services to other departments within the District.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds – Fiduciary fund reporting focuses on Net Position and changes in Net Position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District’s own programs. The District’s trust fund is a private purpose trust that accounts for scholarship programs for students and unclaimed monies.

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of Net Position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses; however, the interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no activities considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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 statements for governmental funds.

The government-wide statement of activities presents direct expenses and program revenues for each function or program of the 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 that are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. Interfund services provided and used are not eliminated in the process of consolidation. 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 District.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Fund Financial Statements – Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary Funds – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into two classifications: private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust that accounts for scholarship programs, gifts and awards for specific students. State law permits the District to appropriate for purposes consistent with the endowment's intent, net appreciation, both realized and unrealized. The District has no custodial funds.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Government-wide, proprietary and fiduciary fund financial statements measure and report all assets, liabilities, revenues, expenses, gains and losses using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2023, and which are not intended to finance fiscal year 2023 operations, have been recorded as deferred inflows of resources. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

Revenues – Exchange and Non-exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the Certificate of Estimated Resources and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriation Resolution are subject to amendment throughout the year.

All funds other than custodial funds are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The primary level of budgetary control is at the fund level.

Supplemental budgetary modifications may only be made by resolution of the Board of Education.

1. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final Amended Official Certificate of Estimated Resources issued during fiscal year 2023.

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***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Appropriations

A Temporary Appropriation Measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An Annual Appropriation Resolution must be passed by October 1 of each year for the period July 1 through June 30. The Appropriation Resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual—(Non-GAAP Budgetary Basis) General and ESSER Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications. Pursuant to the provisions of Section 323.17, Ohio Revised Code, an exception to the October 1 filing deadline is permitted when the delivery of a tax duplicate, from the County Auditor, is delayed. For fiscal year 2023 the Board of Education passed the annual certification on June 23, 2022.

3. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

4. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis).

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

4. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and ESSER Fund:

	Net Change in Fund Balance	
	General Fund	ESSER Fund
GAAP Basis (as reported)	(\$32,618,843)	\$1,696,913
Increase (Decrease):		
Accrued Revenues at June 30, 2023, received during FY 2024	(7,528,308)	(111,570)
Accrued Revenues at June 30, 2022, received during FY 2023	11,569,583	1,160,680
Accrued Expenditures at June 30, 2023, paid during FY 2024	44,482,239	6,126,423
Accrued Expenditures at June 30, 2022, paid during FY 2023	(37,785,090)	(9,422,329)
Perspective Difference:		0
Activity of Funds Reclassified For GAAP Reporting Purposes	4,326	
2022 Adjustment to Fair Value	(323,732)	0
2023 Adjustment to Fair Value	778,146	0
Encumbrances Outstanding	(33,902,912)	(5,808,534)
Budget Basis	<u>(\$55,324,591)</u>	<u>(\$6,358,417)</u>

F. Cash and Investments

Cash received by the District is deposited in one of three (3) banks with individual fund balance integrity maintained throughout. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term cash equivalent investments, which are stated at cost. In accordance with 2450.106 of the 2004 GASB Codification on reporting cash flows of Proprietary Funds, cash equivalents are defined as investments of the cash management pool and short-term, highly liquid investments that are readily convertible to cash and so near maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with original maturities of less than three months are considered to meet this definition; otherwise they are shown as "investments" for these funds. At June 30, 2023, there were no investment balances as defined under section 2450.106 of the 2004 GASB Codification.

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Investments (Continued)

During fiscal year 2023, investment purchases were exclusively limited to Star Ohio, Commercial Paper, Banker's Acceptance, U.S. Treasury Obligations, U.S. Agency Issues, Municipal Securities, Certificates of Deposit, Interest Bearing Savings Accounts, Sweep Accounts, Negotiable Orders of Withdrawals and Money Market Mutual Funds. Except for participating interest earning investments and money market investments that had a remaining maturity of one year or less at the time of purchase and nonparticipating interest earning investments, investments are reported at fair value. All remaining investments are reported at cost. Under existing Ohio Statutes, all investment earnings accrue to the General Fund except those specifically related to certain funds and in accordance with Board Policy, Board Resolution and the Administrative Policy for Investment and Cash Management Activity. The District's investments are affected by fair value change; therefore, they are participating. Interest revenue credited to the General Fund on a cash basis during fiscal year 2023 amounted to \$904,364 with \$230,225 credited to other funds.

The District has invested funds in the State Treasury Asset Reserve (STAR Ohio) during fiscal year 2023. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State of Ohio to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2A7 of the Investment Company Act of 1940 and is rated AAAM by Standard and Poor's Rating Agency. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2023.

The District invests inactive funds for the School Building Support, Vocational Rotary, and Administratively Managed Student Activity Funds and distributes interest earned on these funds to the individual cost centers. The District also invests inactive funds in the Auxiliary Services Program Fund, the School Facilities Maintenance Fund, the Locally Funded Initiatives Fund, the Classroom Facilities Project Fund, the Permanent Improvement Fund, the Employee Benefit Insurance Fund, the Worker's Compensation Fund, and the Severance Fund and distributes interest earned directly to the funds. See Note 5 "Cash, Cash Equivalents and Investments".

From June 30, 2022 to June 30, 2023, the investment portfolio exhibited an decrease in value of approximately \$27,454,000 from \$184,246,000 to \$156,792,000, while the average maturity as measured by remaining life decreased by 60 days from 311 days to 251 days; and the average yield increased by 284 basis points from 1.815% to 4.652%.

From June 30, 2022 to June 30, 2023, interest earnings receipted on a cash basis for all funds increased by \$3,066,608 from \$1,134,590 to \$4,201,198. As of June 30, 2023, there were additional interest earnings of \$327,337 to be receipted in future months. Interest earnings on a cash basis increased by 270.28% as interest rates rose and the available fund balances remained stable.

G. Inventory

On the government-wide financial statements, inventories held for resale are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventory (Continued)

On fund financial statements, inventories of governmental funds are stated at cost, whereas inventories held for resale are reported at lower of cost or market. Cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased.

H. Capital Assets and Depreciation

1. Property, Plant and Equipment - Governmental Activities

Capital assets generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements. The District follows the policy of not capitalizing assets with a cost of less than \$5,000.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The District does not possess any infrastructure. Estimated historical costs of capital assets were derived, when information supporting historical costs was not obtainable, by adjusting current replacement cost back to the estimated year of acquisition.

Lease/SBITA assets are reported at the measurement of the associated lease/SBITA liability.

2. Depreciation/Amortization

All capital assets, except for land, are depreciated/amortized. Depreciation/Amortization has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	20
Buildings	45-100
Furniture, Fixtures and Equipment	5 - 20
Vehicles	5 - 10
Portable Trailers	10 - 20
Lease Assets/Intangible Right-to-Use Assets	Life of the Lease/SBITA

I. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Debt Service Fund
Compensated Absences	General Fund
Leases / SBITA's Payable	General Fund
Net Pension/OPEB Liability	General Fund Special Revenue Funds

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences and Salary Related Payments

The District has implemented the provisions of Section C60 of the 2004 GASB Codification. Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the District has identified as probable of receiving payment in the future and other salary related payments. The amount is based on accumulated sick leave and employee's wage rates at year-end, taking into consideration any limits specified in the District's severance policy. For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of Net Position, the current portion of "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are being paid out of the general fund.

K. Net Position

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

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

L. Fund Balance

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

Nonspendable - The nonspendable fund balance category 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" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balance (Continued)

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education. Those committed amounts cannot be used for any other purpose unless the District 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 fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned amounts represent intended uses established by policies of the School District Board of Education. Through the District's purchasing policy the Board of Education has given the Treasurer the authority to constrain monies for intended purposes, which are also reported as assigned fund balance.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

The District currently has no policy for minimum fund balance.

M. Pensions/Other Postemployment Benefits (OPEB)

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

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Intergovernmental Revenues

Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred with the exception of those grants where the grant period extends past June 30. For these grants, prepayment amounts that exceed related expenditures are reported as unearned revenue.

O. Interfund Activity

Exchange transactions between governmental funds are eliminated on the government-wide statements.

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

P. Estimates

The preparation of the 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 could differ from those estimates.

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are interfund charges for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2023.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Bond Premiums, Bond Discounts, Gains on Refunding and Issuance Costs

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium and discount. Bond issuance costs are expensed. Bond premiums are deferred and accreted over the term of the bonds. Any gain or loss on refunding is allocated over the life of the old debt or the new debt whichever is shorter.

On the governmental fund financial statements, governmental fund types recognize issuance costs, bond premiums, and bond discounts in the current period. The face amount of the debt issue is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and for OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 11 and 12, respectively.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. For the District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, investment earnings, grants, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position explained in Notes 11 and 12, respectively.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE

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

GASB Statement No. 91 provides a single method of reporting conduit debt obligations.

GASB Statement No. 94 clarifies accounting and financial reporting requirements for public-private and public-public partnership arrangements and availability payment arrangements.

GASB Statement No. 96 provides guidance on accounting and financial reporting for subscription-based information technology arrangements for government end users.

The implementation of these Statements had no effect on beginning net position/fund balance.

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TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 3 – FUND BALANCES

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

Fund Balances	General Fund	ESSER Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventory Held for Resale	\$98,749	\$0	\$0	\$98,749
Corpus	0	0	604,246	604,246
Total Nonspendable	<u>98,749</u>	<u>0</u>	<u>604,246</u>	<u>702,995</u>
Restricted:				
Endowments	0	0	230,507	230,507
Special Trusts	0	0	889,355	889,355
Food Services	0	0	1,860,603	1,860,603
Adult Education	0	0	421,231	421,231
School Facilities Maintenance	0	0	5,100,083	5,100,083
Auxiliary Services	0	0	242,402	242,402
Extracurricular Activities	0	0	682,140	682,140
Technology Improvements	0	0	153,537	153,537
Targeted Academic Assistance	0	0	886,240	886,240
Debt Service Payments	0	0	7,249,520	7,249,520
Capital Acquisition and Improvement	0	0	4,885,398	4,885,398
Total Restricted	<u>0</u>	<u>0</u>	<u>22,601,016</u>	<u>22,601,016</u>
Committed:				
Budget Stabilization	10,000,000	0	0	10,000,000
Assigned:				
Encumbrances for Purchase Orders				
for Supplies and Services	20,196,632	0	0	20,196,632
Uniform School Supplies	292,674	0	0	292,674
Rotary Special Services	40,008	0	0	40,008
Public School Support	656,096	0	0	656,096
Total Assigned	<u>21,185,410</u>	<u>0</u>	<u>0</u>	<u>21,185,410</u>
Unassigned (Deficits):	<u>50,140,490</u>	<u>(9,454,579)</u>	<u>(863,285)</u>	<u>39,822,626</u>
Total Fund Balances	<u>\$81,424,649</u>	<u>(\$9,454,579)</u>	<u>\$22,341,977</u>	<u>\$94,312,047</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 3 – FUND BALANCES (Continued)

Stabilization Agreement - In 2016, the District established, by ordinance, a revenue stabilization reserve in the General Fund and first set aside fund balance in the fund in 2016. Additional funds may be added to the revenue stabilization balance without the consent of the School Board. Amounts in the revenue stabilization reserve are “to provide a contingency available to address unexpected (and thus un-budgeted) expenditures to provide for the interruption or delay in the receipt of revenue; to provide for situations in which revenues are less than those that had been forecast; and to provide for extraordinary conditions beyond the control of the district” and must have the consent of the School Board through an ordinance in order to be used for this purpose. The balance of the revenue stabilization reserve at June 30, 2023 is \$10,000,000.

NOTE 4 - COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficits

The fund deficits at June 30, 2023 of \$4,637,181 in the Health Insurance Fund (internal service fund), \$513,278 in the Special Education Handicapped Fund, \$24,996 in the Vocational Education Fund, \$19,190 in the Title I Fund, \$7,985 in Drug Free Schools Fund, \$5,150 in the Preschool Grants for the Handicapped Fund, \$280,375 in the Miscellaneous Federal Grants Fund, \$12,311 in the Title I School Improvement Stimulus A Fund and \$9,454,579 in the ESSER Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

B. Appropriations Exceeded Estimated Resources

Contrary to Ohio law, at June 30, 2023, final appropriations exceeded final estimated resources for the ESSER Fund, Uniform School Supplies Fund, School Building Support Fund, Other Grants Fund, Student Activities Fund, Special Education Handicapped Fund, Title I Fund, Preschool Grants for the Handicapped Fund, Title I School Improvement Stimulus G Fund and Miscellaneous Federal Grants Fund and the Drug Free School Grants Fund.

C. Expenditures Exceeded Revenues

Contrary to Ohio law, at June 30, 2023, expenditures exceeded revenues for the ESSER Fund, Ohio Grants Fund, Public School Preschool Fund, Special Education Handicapped Fund, Vocational Education Fund, Title VII Bilingual Education Program Fund, Title I Fund, Preschool Grants for the Handicapped Fund, Improving Teacher Quality Fund, Miscellaneous Federal Grants Fund, Title I School Improvement Stimulus A Fund, Head Start Fund, Vocational Education Enhancement Fund, Drug Free School Grants Fund and the GEER Fund.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits with Financial Institutions

At June 30, 2023, the fair value of all District deposits was \$30,212,114. Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, at June 30, 2023 cash concentration accounts, savings accounts, mutual funds, and certificates of deposit totaled \$29,471,961. Of this amount, \$28,971,961 was exposed to custodial risk as discussed below, while \$500,000 was covered by Federal Deposit Insurance Corporation.

Custodial risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. Consistent with the requirements of state law, it is the policy of the District to require full collateralization of all District investments and funds on deposit with any depository. All deposits are collateralized in accordance with Ohio Revised Code 135 and the State of Ohio Pooled Collateral Program. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

Any repurchase agreement with a maturity greater than 30 days requires physical delivery of specific securities to a third party custodian. Repurchase agreement activity maturing 30 days and less are collateralized in accordance with Ohio Revised Code 135 and the State of Ohio Pooled Collateral Program. At June 30, 2023, there were no Repurchase Agreements with a maturity of greater than 30 days.

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments

As of June 30, 2023, the District had the following investments and maturities.

Investment Type	June 30, 2023	June 30, 2023	Fair Value Hierarchy	Investment Maturities (in Years)		
	Adjusted Cost	Carrying Value		less than 1	1-2	2-5
Star Ohio	\$24,245,602	\$24,245,602	N/A	\$24,245,602	\$0	\$0
Commercial Paper	25,436,348	25,436,348	Level 2	25,436,348	0	0
US Treasury Securities	77,638,247	76,757,471	Level 1	34,467,141	28,304,231	13,986,099
Total Investments	<u>\$127,320,197</u>	<u>\$126,439,421</u>		<u>\$84,149,091</u>	<u>\$28,304,231</u>	<u>\$13,986,099</u>
				<u>66.55%</u>	<u>22.39%</u>	<u>11.06%</u>

Note: The maturity analysis above assumes that callable securities will not be called.
All Investment securities are assumed to mature on their final stated maturity date.

The Weighted Average Maturity (in Days) of the Entire Investment Portfolio from Purchase Date to Maturity Date is:	452
The Remaining Life (in Days) of the Entire Investment Portfolio From Year End to Maturity Date is:	251
The Average Duration of the Entire Investment Portfolio is:	0.67
The Weighted Average Coupon of the Entire Portfolio is:	2.271%
The Weighted Average Yield of the Entire Portfolio is:	4.652%

A security with less than one (1) year to maturity (based on Remaining Life), is reported at cost, plus or minus, accretion or amortization adjustment. A security with a maturity of more than one (1) year (based on Remaining Life), is reported at adjusted cost, plus or minus, market value adjustment. Star Ohio, Bank Certificates of Deposit and Repurchase Agreements are reported at adjusted cost.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years and less. As of June 30, 2023, sixty six percent (66.55%) of the investment portfolio matures within one year.

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investment Policy

The District's investment policy is more restrictive in nature than the requirements of the Ohio Revised Code; providing for safety of principal, liquidity, diversity of portfolio assets while minimizing associated investment risks. The policy is intended to compliment the law and provide guidance to District personnel while administering the daily cash management and investment practices of the District. The policy is reviewed at least annually to incorporate any changes in the Ohio Revised Code; consider recommendations made by the Auditor of State's Office and the Ohio Compliance Supplement; monitor changes in "best practices" published by the Government Finance Officers Association; and reflect any legislative changes on behalf of the Toledo Board of Education. The Policy has been reviewed and has received a national certification from the Association of Public Treasurer's Investment Policy Certification Committee.

Credit Risk

The District's investments, except for repurchase agreements, savings accounts, sweep accounts, commercial paper, and certificates of deposit, as discussed above were rated AA and Aa by Standard & Poor's and Moody's Investor Services respectively. The holdings in the State Treasury Asset Reserve Fund (STAR Ohio) have been assigned an AAAM money market rating by Standard & Poor's. As required by District policy all commercial paper holdings at the time of purchase are rated in the highest class by at least two of the nationally recognized rating services (Standard & Poor's, Moody's Investor Service, or Fitch Rating Services). Combined holdings of Commercial Paper and Banker Acceptances are limited to 40% of total investment portfolio holdings. The mutual fund used to transact third party safekeeping of U.S. Treasury, U.S. Agency, Commercial Paper, Banker's Acceptance securities and select Repurchase Agreement Collateral, has been assigned an AAA rating based on the securities held in the fund. All District holdings in U.S. Agency securities carry the explicit guarantee of the United States government and are rated Aaa by Moody's and AAA by Standard & Poor's rating agencies.

Concentration of Credit Risk

In order to avoid an undue concentration of credit risk, the District's investment policy places limits on the amount that may be invested in any one issuer at any one time. The limits are as follows:

- (a) No more than five percent (5%) of the District's total portfolio will be invested in Certificates of Deposit of any one Depository at any one time. District Funds invested in interim deposits of a Depository may not exceed thirty percent (30%) of the Depository's assets. Only collateralized, non-negotiable Certificates of Deposit, from Depository's approved to hold interim funds, will be considered for purchase. All Certificates of Deposit shall be collateralized as provided in Section 135.18, 135.181, or 135.182 of the Ohio Revised Code.
- (b) No more than five percent (5%) of the District's total portfolio will be invested in Term Repurchase Agreements of any one Depository at any one time. Deliverable collateral consisting of U.S. Government Securities with a market value equal to at least 105% of principal plus interest of the transaction and with a maturity of five years or less is required for all Term Repurchase Agreement transactions.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- (c) Pooled collateral is acceptable on all district demand deposits. Delivery of collateral is **not** required on demand repurchase agreement activities (i.e. overnight cash management accounts with depositories). Surety bond collateral is acceptable for Certificate of Deposit investments if the insurer is rated in the highest class by a national recognized rating agency.
- (d) No more than five percent (5%) of the District’s total portfolio will be invested in Commercial Paper in any one issuer at any one time.
- (e) No more than five percent (5%) of the District’s total portfolio will be invested in Banker’s Acceptances in any one issuer at any one time.

The following table includes the percentage of total of each investment type held by the District at June 30, 2023:

Concentration of Credit Risk by Investment Type

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Percent to Total</u>
STAR Ohio	\$24,245,602	19.18%
Commercial Paper	25,436,348	20.12%
US Treasury Securities	76,757,471	60.70%
Total Investments	<u>\$126,439,421</u>	<u>100.00%</u>

The following table includes the percentage of total of each issuer of investments held by the District at June 30, 2023:

<u>Issuer</u>	<u>Carrying Value</u>	<u>Percent to Total</u>
STAR Ohio	\$24,245,602	19.18%
MetLife Short Term Fund LLC	7,344,354	5.81%
Anglesea Funding LLC	7,327,831	5.80%
Johnson & Johnson	8,528,329	6.74%
MUFG Bank LTD/NY	2,235,834	1.77%
U.S. Treasury Securities	76,757,471	60.70%
Total Investments	<u>\$126,439,421</u>	<u>100.00%</u>

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 6 - PROPERTY TAXES

A. Property Tax

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

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2023 were levied after April 1, 2022 on assessed values as of January 1, 2022, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last equalization adjustment was completed in 2021. Real property taxes are payable annually or semi-annually. The first payment is due December 31, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at varying ratios of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Toledo City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2023, upon which the 2022 levies were based, were as follows:

	2022 Second Half Collections	2023 First Half Collections
Real Estate	\$2,471,926,650	\$2,427,439,480
Tangible Personal and Public Utility Property	224,816,570	240,015,090
Total Assessed Value	<u>\$2,696,743,220</u>	<u>\$2,667,454,570</u>
Tax rate per \$1,000 of assessed valuation	\$71.48	\$71.37

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 6 - PROPERTY TAXES (Continued)

B. Tax Abatements

Real Estate Tax Abatements

As of June 30, 2023, the City of Toledo and Lucas County provide tax incentives under three programs: Tax Increment Financing (TIF), Enterprise Zones, and Community Reinvestment Areas (CRA).

Pursuant to Ohio Revised Code Chapter 5709, the City of Toledo and Lucas County established Community Reinvestment Areas and Enterprise Zones. The City and County authorize incentives through passage of public ordinances, based upon each businesses investment criteria and through a contractual application process with each business. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the Community Reinvestment Areas gave the City and County the ability to maintain and expand business located within the City and County and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and includes major housing improvements in specified areas. The City of Toledo and Lucas County also enter into various contracts with the benefitting business and the Toledo City School District for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

The City and County have offered the tax abatements to encourage economic stability, maintain property values, and generate new employment opportunities and population growth.

The City of Toledo had 32 individual agreements under these programs. These abatements reduced the District's property tax revenues by \$2,183,559 in fiscal year 2023.

Lucas County had 3 individual agreements under these programs. These abatements reduced the District's property tax revenues by \$0 in in fiscal year 2023.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 7 - RECEIVABLES

Receivables at June 30, 2023 consisted of taxes receivable, interest receivable, accounts receivable, interfund loans receivable, leases receivable and intergovernmental receivables.

NOTE 8 - INTERFUND RECEIVABLES/PAYABLES

Interfund loans receivable/payable and advances to/from other funds – short-term loans at June 30, 2023 from one individual fund to another are as follows:

	Interfund Loan <u>Receivable</u>	Interfund Loan <u>Payable</u>
General Fund	\$6,155,365	\$0
ESSER Fund	0	3,439,726
Nonmajor Governmental Funds	0	2,715,639
Totals	<u>\$6,155,365</u>	<u>\$6,155,365</u>

The interfund loans receivable/payable are amounts that have been advanced from one fund to another and will be repaid during the following reporting period.

NOTE 9 - TRANSFERS

Following is a summary of transfers in and out for all funds at June 30, 2023:

<u>Transfers Out:</u>	<u>Transfers In:</u>		
	Nonmajor Governmental Funds	Internal Service Funds	Total
General Fund	\$103,214	\$5,000,000	\$5,103,214
Nonmajor Governmental Funds	33,362	0	33,362
	<u>\$136,576</u>	<u>\$5,000,000</u>	<u>\$5,136,576</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 10 - CAPITAL ASSETS

Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2023:

Class	June 30, 2022	Additions	Deletions	June 30, 2023
Capital assets not being depreciated:				
Land	\$13,897,335	\$27,800	\$0	\$13,925,135
Construction in Progress	7,485,103	27,668,071	(1,617,359)	33,535,815
Capital assets being depreciated:				
Land Improvements	11,639,267	26,710	0	11,665,977
Buildings	628,372,089	12,771,980	0	641,144,069
Building Improvements	38,875,771	2,957,572	0	41,833,343
Machinery and Equipment	26,674,342	1,756,903	(20,049)	28,411,196
Vehicles	16,398,948	4,484,526	(2,291,281)	18,592,193
Lease Vehicles	74,518	329,065	0	403,583
Lease Equipment	107,775	416,540	0	524,315
Lease Buildings	6,047,838	4,244,187	(5,088,892)	5,203,133
Intangible Right-to-Use Assets	0	12,923,128	0	12,923,128
Total Cost	\$749,572,986	\$67,606,482	(\$9,017,581)	\$808,161,887
Accumulated Depreciation/Amortization:				
Class	June 30, 2022	Additions	Deletions	June 30, 2023
Land Improvements	(\$8,870,799)	(\$113,525)	\$0	(\$8,984,324)
Buildings	(179,899,367)	(12,010,948)	0	(191,910,315)
Building Improvements	(24,129,536)	(1,303,167)	0	(25,432,703)
Machinery and Equipment	(23,664,004)	(978,744)	20,049	(24,622,699)
Vehicles	(12,673,995)	(766,051)	2,291,281	(11,148,765)
Lease Vehicles	(24,721)	(123,697)	0	(148,418)
Lease Equipment	(29,166)	(140,747)	0	(169,913)
Lease Buildings	(250,450)	(430,656)	250,450	(430,656)
Intangible Right-to-Use Assets	0	(2,364,084)	0	(2,364,084)
Total Depreciation	(\$249,542,038)	(\$18,231,619) *	\$2,561,780	(\$265,211,877)
Net Value:	\$500,030,948			\$542,950,010

* Depreciation/Amortization expenses were charged to governmental functions as follows:

Instruction	\$12,767,027
Support Services	5,369,798
Non-Instructional Services	84,723
Extracurricular Activities	10,071
Total Depreciation Expense	\$18,231,619

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 11 - DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

A. Net Pension Liability

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description

School Employees Retirement System (SERS)

Plan Description – 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, annual cost-of-living adjustments, 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 year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, 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. In 2020, the Board of Trustees approved a 0.5 percent cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2021.

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 percent. No amount was allocated to the Health Care Fund.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description (Continued)

The District's contractually required contribution to SERS was \$9,076,342 for fiscal year 2023.

State Teachers Retirement System (STRS)

Plan Description –District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS 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 will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, cost-of-living adjustment (COLA) was reduced to 0%. Members are eligible to retire at age 60 with five year of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement increased effective August 1, 2015. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be 5 years of qualifying service credit and age 65, or 35 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. Investment allocation decisions are determined by the member. 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 goes to the DC Plan 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 after termination of employment at age 50 or later.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description (Continued)

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. 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. 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. For the fiscal year ended June 30, 2023, the employer rate was 14% and the member rate was 14% of covered payroll. The fiscal year 2023 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$26,650,103 for fiscal year 2023. Of this amount \$4,410,944 is reported as an intergovernmental payable.

C. 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 District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities.

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TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

C. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$94,046,725	\$312,709,970	\$406,756,695
Proportion of the Net Pension Liability -2023	1.7387796%	1.4066945%	
Proportion of the Net Pension Liability -2022	1.7081235%	1.4184450%	
Percentage Change	<u>0.0306561%</u>	<u>(0.0117504%)</u>	

Pension Expense \$7,836,945 \$40,985,948 \$48,822,893
At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$3,808,968	\$4,003,089	\$7,812,057
Change of assumptions	927,976	37,421,987	38,349,963
Net difference between projected and actual earnings on pension plan investments	0	10,881,623	10,881,623
District contributions subsequent to the measurement date	9,076,342	26,650,103	35,726,445
Changes in proportionate share	2,412,682	16,977,400	19,390,082
Total Deferred Outflows of Resources	<u>\$16,225,968</u>	<u>\$95,934,202</u>	<u>\$112,160,170</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$617,394	\$1,196,215	\$1,813,609
Changes of assumptions	0	28,168,000	28,168,000
Net difference between projected and actual earnings on pension plan investments	3,281,802	0	3,281,802
Changes in proportionate share	0	1,757,540	1,757,540
Total Deferred Inflows of Resources	<u>\$3,899,196</u>	<u>\$31,121,755</u>	<u>\$35,020,951</u>

\$35,726,445 reported as deferred outflows of resources related to pension resulting from 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2024	\$2,240,126	\$6,722,916	\$8,963,042
2025	244,611	4,497,073	4,741,684
2026	(4,688,124)	(4,771,514)	(9,459,638)
2027	5,453,817	31,713,869	37,167,686
Total	<u>\$3,250,430</u>	<u>\$38,162,344</u>	<u>\$41,412,774</u>

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions

School Employees Retirement System (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.

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:

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.00 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal

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% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disable members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed June 30, 2020.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
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	<u>100.00%</u>	

Discount Rate - The total pension liability 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 earning 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 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.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$138,432,290	\$94,046,725	\$56,652,490

State Teachers Retirement System (STRS)

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2022 actuarial valuation are presented below:

Inflation	2.50 percent
Projected salary increases	Varies by service from 2.50 percent to 8.50 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

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

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of the latest available actuarial experience study which is for the period July 1, 2015 through June 30, 2021.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

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	<u>100.00 %</u>	

*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include 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 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. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not 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 payments to determine the total pension liability as of June 30, 2022.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the 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 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%)
District's proportionate share of the net pension liability	\$472,390,921	\$312,709,970	\$177,669,320

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 12 - DEFINED BENEFIT OPEB PLANS

A. Net OPEB Liability (Asset)

The net OPEB liability (asset) reported on the statement of net position represents a liability (asset) for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded OPEB liabilities within 30 years. If the OPEB 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 OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

B. Plan Description

School Employees Retirement System (SERS)

Health Care Plan Description - The 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.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

B. Plan Description (Continued)

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.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, 0.0 percent of covered payroll was contributed 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 District's surcharge obligation was \$676,865.

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 District's contractually required contribution to SERS was \$676,865 for fiscal year 2023, which is reported as an intergovernmental payable.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

B. Plan Description (Continued)

State Teachers Retirement System (STRS)

Plan Description – The District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians’ fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2023, STRS Ohio allocated employer contributions equal to zero percent of covered payroll to the Health Care Stabilization Fund.

C. 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 District's proportion of the net OPEB liability (asset) was based on the District's share of contributions to the pension and OPEB plans relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset)	\$23,630,803	(\$36,424,006)	(\$12,793,203)
Proportion of the Net OPEB Liability (Asset) -2023	1.6830931%	1.4066945%	
Proportion of the Net OPEB Liability (Asset) -2022	<u>1.6328616%</u>	<u>1.4184450%</u>	
Percentage Change	<u>0.0502315%</u>	<u>(0.0117504%)</u>	
OPEB Expense	(\$1,601,223)	(\$5,961,475)	(\$7,562,698)

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$198,650	\$528,041	\$726,691
Changes of assumptions	3,758,785	1,551,531	5,310,316
Net difference between projected and actual earnings on OPEB plan investments	122,821	634,053	756,874
Changes in proportionate share	3,007,541	699,638	3,707,179
District contributions subsequent to the measurement date	<u>676,865</u>	<u>0</u>	<u>676,865</u>
Total Deferred Outflows of Resources	<u>\$7,764,662</u>	<u>\$3,413,263</u>	<u>\$11,177,925</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$15,115,996	\$5,470,223	\$20,586,219
Changes of assumptions	9,700,617	25,828,169	35,528,786
Changes in proportionate share	<u>1,018,528</u>	<u>0</u>	<u>1,018,528</u>
Total Deferred Inflows of Resources	<u>\$25,835,141</u>	<u>\$31,298,392</u>	<u>\$57,133,533</u>

\$676,865 reported as deferred outflows of resources related to OPEB resulting from 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2024	(\$4,519,536)	(\$7,751,767)	(\$12,271,303)
2025	(4,504,944)	(8,213,764)	(12,718,708)
2026	(3,747,308)	(3,879,792)	(7,627,100)
2027	(2,132,471)	(1,608,138)	(3,740,609)
2028	(1,437,899)	(2,120,304)	(3,558,203)
Thereafter	<u>(2,405,186)</u>	<u>(4,311,364)</u>	<u>(6,716,550)</u>
Total	<u>(\$18,747,344)</u>	<u>(\$27,885,129)</u>	<u>(\$46,632,473)</u>

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions

School Employees Retirement System (SERS)

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

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

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

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

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
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
Medical Trend Assumption	
Medicare - Measurement Date	5.125 to 4.40 percent
Pre-Medicare - Measurement Date	6.75 to 4.40 percent
Medicare - Prior Measurement Date	5.125 to 4.40 percent
Pre-Medicare - Prior Measurement Date	6.75 to 4.40 percent

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

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% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disable members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

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 2015 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 log-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%, 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 target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2021 five-year experience study, are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
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	<u>100.00%</u>	

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2022, was 4.08%. The discount rate used to measure the total OPEB liability prior to June 30, 2022, was 2.27%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position 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, 2021 and the June 30, 2022 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% at June 30, 2022 and 1.92% at June 30, 2021.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount and 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	\$29,349,813	\$23,630,803	\$19,014,007

	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	\$18,223,589	\$23,630,803	\$30,693,498

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

State Teachers Retirement System (STRS)

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%
Investment Rate of Return	7.00%, net of investment expenses, including inflation
Payroll Increases	3.00%
Discount Rate of Return	7.00%
Health Care Cost Trends	
Pre-Medicare	7.50% initial, 3.94% ultimate
Medicare	(68.78%) initial, 3.94% ultimate

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

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

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of the latest available actuarial experience study which is for the period July 1, 2015 through June 30, 2021.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return *</u>
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	<u>100.00 %</u>	

* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actual rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes STRS Ohio 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 of current plan members. Therefore, the long-term expected rate of return on OPEB plan assets of 7.00% was used to measure the total OPEB liability as of June 30, 2022.

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TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount and Health Care Cost Trend Rates – The net OPEB liability (asset) is sensitive to changes in the discount and health care cost trend rates. To illustrate the potential impact the following table presents the net OPEB liability (asset) calculated using the discount rate of 7.00 percent, as well as what the net OPEB liability (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 rate. Also shown is the net OPEB liability (asset) calculated using a health care cost trend rate that is one percentage point lower and one percentage point higher.

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
School District's proportionate share of the net OPEB liability (asset)	(\$33,673,032)	(\$36,424,006)	(\$38,780,444)

	<u>1% Decrease in Trend Rate</u>	<u>Current Trend Rate</u>	<u>1% Increase in Trend Rate</u>
School District's proportionate share of the net OPEB liability (asset)	(\$37,780,552)	(\$36,424,006)	(\$34,711,693)

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TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 13 - LONG-TERM DEBT

Long-term debt of the District at June 30, 2023 was as follows:

Description	Balance June 30, 2022	Issued	(Retired)	Balance June 30, 2023	Amount Due Within One Year
Governmental Activities:					
<u>General Obligation Bond:</u>					
School Facility Improvement 2012B					
G.O. Bond (2.00% - 5.375%)	\$6,750,000	\$0	(\$50,000)	\$6,700,000	\$50,000
Premium General Obligation Bond	536,486	0	(67,061)	469,425	0
School Facility Improvement 2014					
G.O. Bond (2.00% - 5.00%)	100,000	0	(25,000)	75,000	25,000
School Facility Improvement 2016					
G.O. Bond (2.00% - 5.00%)	19,095,000	0	(985,000)	18,110,000	1,005,000
Premium General Obligation Bond	1,892,563	0	(145,581)	1,746,982	0
School Facility Improvement 2020					
G.O. Bond (5.00%)	44,540,000	0	0	44,540,000	0
Premium General Obligation Bond	8,995,521	0	(817,775)	8,177,746	0
School Facility Improvement 2022					
G.O. Bond (2.00% - 4.00%)	16,960,000	0	(6,180,000)	10,780,000	6,160,000
Premium General Obligation Bond	791,522	0	(197,880)	593,642	0
Total General Obligation Bond	<u>99,661,092</u>	<u>0</u>	<u>(8,468,297)</u>	<u>91,192,795</u>	<u>7,240,000</u>
<u>Other Long-Term Liabilities:</u>					
Leases Payable	5,925,791	7,014,789	(7,093,100)	5,847,480	210,474
SBITA Liability	0	3,669,674	(1,013,638)	2,656,036	1,800,821
Compensated Absences	26,608,167	31,558,069	(26,608,167)	31,558,069	955,350
Total Other Long-Term Liabilities	<u>32,533,958</u>	<u>42,242,532</u>	<u>(34,714,905)</u>	<u>40,061,585</u>	<u>2,966,645</u>
Long-Term Debt and					
Other Long-Term Obligations	<u>\$132,195,050</u>	<u>\$42,242,532</u>	<u>(43,183,202)</u>	<u>\$131,254,380</u>	<u>\$10,206,645</u>

During fiscal years 2012, 2014, 2016, 2020 and 2022 the District issued General Obligation Bonds in the amounts of \$52,555,000, \$32,335,000, \$21,920,000, \$44,540,000 and \$16,960,000 respectively to finance School Facility Improvement building projects.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 13 - LONG-TERM DEBT (Continued)

Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements for the general obligation bonds payable, including principal and interest payments as of June 30, 2023, follows:

<u>General Obligation Bonds Payable</u>			
<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$7,240,000	\$3,561,606	\$10,801,606
2025	7,040,000	3,247,581	10,287,581
2026	7,390,000	2,910,306	10,300,306
2027	7,780,000	2,543,106	10,323,106
2028	8,165,000	2,144,481	10,309,481
2029-2033	37,265,000	5,171,350	42,436,350
2034-2036	5,325,000	332,610	5,657,610
Totals	<u>\$80,205,000</u>	<u>\$19,911,040</u>	<u>\$100,116,040</u>

The issuance and payment of the District's General Obligation bonds participate in the State of Ohio, Department of Education's (Department) Credit Enhancement Program (Program) pursuant to Section 3317.18 of the Revised Code. At no additional cost to the District, the Program allows the District to decrease its borrowing cost by utilizing the State of Ohio's higher credit rating when issuing debt.

If the District is unable to make its debt charges on the bonds issued, then the Program requires the District to certify to the Department and the Bond Registrar at least 15 business days prior to each date on which debt charges are due on the Bonds the amount that the School District will **not** be able to pay. Otherwise, the School District shall cause same day funds to be on deposit with the Bond Registrar no later than the tenth business day prior to each payment date while the Bonds are outstanding in an amount sufficient and available to pay the debt charges.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 13 - LONG-TERM DEBT (Continued)

If the Department confirms or determines that the District will be unable to make such payment, the Department shall deposit with the Bond Registrar immediately available funds, the lesser of (i) the amount of the Deficiency or (ii) the amount of state education aid, as defined for purposes of Ohio Administrative Code Section 3301-8-01(A), due the School District for the remainder of the State fiscal year. If this amount is insufficient to pay the total debt charges, the Department shall pay to the Bond Registrar each fiscal year thereafter, and until the full amount due the Bond Registrar for unpaid debt charges is paid in full, the lesser of the remaining amount due the Bond Registrar or the amount of state education aid due the District for the fiscal year.

The School District covenants and agrees that it will not pledge its state education aid as primary security for other obligations on a parity with the Bonds, unless the projected amount of state education aid to be distributed to the District in the then current fiscal year exceeds the aggregate maximum annual debt service due in that current or any future fiscal year on all outstanding and proposed obligations of the District to which state education aid is pledged as primary security by a ratio of at least 2.5 to 1; provided that this covenant shall not prevent the District from issuing obligations having a claim on state education aid subordinate to that of the Bonds.

If a transfer of state education aid by the Department to the Bond Registrar is required under the terms of the Program, the School District, in conjunction with the Department, will evaluate the District's inability to pay the debt charges and will develop and implement corrective actions to ensure full and timely payment by the District of future debt charges. The District shall present to the Department a written copy of its plan of such corrective actions.

The District has participated in the State of Ohio Department of Education's Credit Enhancement Program in all of its debt issuances since 2003 and has never been unable to make its debt charges to the Bond Registrar within the required timelines.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 14 - LEASE COMMITMENTS

The District leases equipment, several vehicles and buildings. The cost of the equipment, vehicles and buildings under the leases is \$6,131,031, the accumulated depreciation is \$748,987 and the net book value is \$5,382,044. These are included in the Governmental Activities Capital Assets and the related liability is included in the Governmental Activities Long-Term Liabilities.

The following is a schedule of the future minimum lease payments under the leases together with the present value of the net minimum lease payments as of June 30, 2023:

Fiscal Years	Governmental Activities		
	Principal	Interest	Total
2024	\$210,474	\$61,384	\$271,858
2025	293,245	56,699	349,944
2026	291,309	51,710	343,019
2027	289,591	47,588	337,179
2028	219,168	44,141	263,309
2029 - 2033	1,051,753	190,922	1,242,675
2034 - 2038	1,102,749	139,926	1,242,675
2039 - 2043	1,156,218	86,457	1,242,675
2044 - 2048	1,212,279	30,396	1,242,675
2049	20,694	16	20,710
Totals	<u>\$5,847,480</u>	<u>\$709,239</u>	<u>\$6,556,719</u>

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TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 15 – SUBSCRIPTIONS PAYABLE

The District is in several contracts for the right to use information technology software for various instructional and financial purposes. The cost of the software under the SBITA's is \$12,923,128, the accumulated depreciation is \$2,364,084 and the net book value is \$10,559,044. These are included in the Governmental Activities Capital Assets

The following is a schedule of the future minimum subscription payments under the SBITA's together with the present value of the net minimum subscription payments as of June 30, 2023:

Fiscal Years	Governmental Activities		
	Principal	Interest	Total
2024	\$1,800,821	\$45,473	\$1,846,294
2025	348,775	20,467	369,242
2026	121,140	14,948	136,088
2027	124,716	11,373	136,089
2028	128,397	7,692	136,089
2029 - 2031	132,187	3,902	136,089
Totals	<u>\$2,656,036</u>	<u>\$103,855</u>	<u>\$2,759,891</u>

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TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 16 - ENDOWMENTS

The Toledo City School District has various endowments/trusts whereby the original endowment/trust agreement restricts the principal for specified purposes. Under the terms of the endowment/trust, and consistent with State statutes, the District is authorized to spend the net appreciation from the trust for any disbursements that are consistent with the original trust agreement. At June 30, 2023, accumulated available net appreciation of \$230,507 is reported in restricted Net Position.

NOTE 17 - RISK MANAGEMENT

The District is exposed to financial loss resulting from District-caused damage to property or bodily injuries or illness of employees, unemployment compensation benefits to previous employees, and employee health care, prescription drug, dental and life insurance benefits. The Health Insurance Fund, an internal service fund, is used to account for, and finance self-insurance activities. This fund includes prescription drug, dental and health insurance benefits. The District also maintains an Administrative Services - Workers Compensation Fund, which was established under the State of Ohio's retrospective rating plan provisions. These costs are also accounted for in an Internal Service fund.

In accordance with section C50.141 of the 2004 GASB Codification, estimated liabilities are accrued in all Self-Insurance funds for the value of current outstanding claims and claims incurred but not reported (IBNR). Annual actuarial studies are performed for the Health Insurance and Workers Compensation Funds to determine the recommended funding levels for related risk areas. The claims liability of \$8,431,800 (Accrued Wages and Benefits) reported in the Health Insurance Fund and \$0 (Intergovernmental Payable) in the Workers Compensation Self-Insurance Fund is based on the requirements of Government Accounting Standards Board Statement 10 as amended by Government Accounting Standards Board Statement 30. This statement requires that a liability for claims be reported if information indicates, prior to the issuance of the financial statements, that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities are considered current and due within one year.

Changes in the fund's claims liability amount in 2022 and 2023 were:

<u>Fiscal Year</u>	<u>Unpaid Claims Beginning of Fiscal Year</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>Unpaid Claims Ending of Fiscal Year</u>
2022	\$7,605,908	64,601,244	(64,261,561)	\$7,945,591
2023	7,945,591	66,454,130	(65,967,921)	8,431,800

District property, employee life, and all other insurance coverage's are provided by commercial insurance policies. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the prior year.

TOLEDO PUBLIC SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 18 – STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2023, the reserve activity (cash-basis) was as follows:

	<u>Capital Maintenance</u>
Set-aside Balance as of June 30, 2023	\$0
Current Year Set-Aside Requirement	4,478,856
Current Year Offset Credits	(6,706,874)
Qualifying Disbursements	<u>(28,234,923)</u>
Total	<u>(\$30,462,941)</u>
Set-aside Balance Carried Forward to FY 2024	<u>\$0</u>

Although the District had offsets and qualifying disbursements during the year that reduced the Capital Maintenance set-aside amount below zero, the extra amount may not be used to reduce the Capital Maintenance set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year for Capital Maintenance.

NOTE 19 – SIGNIFICANT COMMITMENTS

At June 30, 2023 the District had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$33,902,912
School Facilities Maintenance Fund	1,519,994
ESSER Fund	5,808,536
Head Start Fund	2,124,338
Permanent Improvement Fund	2,996,593
ECIA Title I Fund	<u>1,155,018</u>
Total Governmental Funds	<u>\$47,507,391</u>

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023***

NOTE 20 - CONTINGENCIES

A. Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement 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 District at June 30, 2023.

B. Litigation

The District is a party to several legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2023. The District's management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the District.

C. Foundation Funding

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. As a result, the impact of future FTE adjustments on the fiscal year 2023 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

REQUIRED SUPPLEMENTARY INFORMATION

TOLEDO PUBLIC SCHOOL DISTRICT**Schedule of District's Proportionate Share of the Net Pension Liability
Last Nine Fiscal Years****State Teachers Retirement System**

Fiscal Year	2015	2016	2017
District's proportion of the net pension liability	1.0940502%	1.1429090%	1.1947738%
District's proportionate share of the net pension liability	\$266,110,874	\$315,866,629	\$399,926,804
District's covered payroll	\$115,286,315	\$114,103,786	\$123,521,243
District's proportionate share of the net pension liability as a percentage of its covered payroll	230.83%	276.82%	323.77%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	72.10%	66.80%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	2015	2016	2017
District's proportion of the net pension liability	1.2916890%	1.4207686%	1.3145201%
District's proportionate share of the net pension liability	\$65,371,646	\$81,070,432	\$96,210,741
District's covered payroll	\$37,746,919	\$33,411,912	\$39,854,686
District's proportionate share of the net pension liability as a percentage of its covered payroll	173.18%	242.64%	241.40%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	69.16%	62.98%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as the information becomes available. Information prior to 2015 is not available.

TOLEDO PUBLIC SCHOOL DISTRICT

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
1.2718808%	1.2657319%	1.2757519%	1.3184539%	1.418445%	1.406695%
\$302,138,013	\$278,306,021	\$282,124,874	\$319,018,933	\$181,360,939	\$312,709,970
\$137,344,686	\$155,696,757	\$149,118,600	\$167,079,393	\$179,678,936	\$190,882,879
219.99%	178.75%	189.19%	190.94%	100.94%	163.82%
75.30%	77.30%	77.40%	75.48%	87.78%	78.90%
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
1.6147607%	1.6423639%	1.5860631%	1.6177624%	1.708124%	1.738780%
\$96,478,386	\$94,061,224	\$94,896,934	\$107,002,214	\$63,024,803	\$94,046,725
\$40,989,557	\$57,497,859	\$52,827,222	\$45,396,514	\$56,597,679	\$64,076,293
235.37%	163.59%	179.64%	235.71%	111.36%	146.77%
69.50%	71.36%	70.85%	68.55%	82.86%	75.82%

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of District's Pension Contributions
Last Ten Fiscal Years***

State Teachers Retirement System

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$14,987,221	\$15,974,530	\$17,292,974	\$19,228,256
Contributions in relation to the contractually required contribution	<u>14,987,221</u>	<u>15,974,530</u>	<u>17,292,974</u>	<u>19,228,256</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$115,286,315	\$114,103,786	\$123,521,243	\$137,344,686
Contributions as a percentage of covered payroll	13.00%	14.00%	14.00%	14.00%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$5,231,723	\$4,403,690	\$5,579,656	\$5,738,538
Contributions in relation to the contractually required contribution	<u>5,231,723</u>	<u>4,403,690</u>	<u>5,579,656</u>	<u>5,738,538</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$37,746,919	\$33,411,912	\$39,854,686	\$40,989,557
Contributions as a percentage of covered payroll	13.86%	13.18%	14.00%	14.00%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

TOLEDO PUBLIC SCHOOL DISTRICT

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$21,797,546	\$20,876,604	\$23,391,115	\$25,155,051	\$26,723,603	\$26,650,103
<u>21,797,546</u>	<u>20,876,604</u>	<u>23,391,115</u>	<u>25,155,051</u>	<u>26,723,603</u>	<u>26,650,103</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$155,696,757	\$149,118,600	\$167,079,393	\$179,678,936	\$190,882,879	\$190,357,879
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$7,762,211	\$7,131,675	\$6,355,512	\$7,923,675	\$8,970,681	\$9,076,342
<u>7,762,211</u>	<u>7,131,675</u>	<u>6,355,512</u>	<u>7,923,675</u>	<u>8,970,681</u>	<u>9,076,342</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$57,497,859	\$52,827,222	\$45,396,514	\$56,597,679	\$64,076,293	\$64,831,014
13.50%	13.50%	14.00%	14.00%	14.00%	14.00%

TOLEDO PUBLIC SCHOOL DISTRICT

Schedule of the District's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset) Last Seven Fiscal Years

State Teachers Retirement System

Fiscal Year	2017	2018	2019
District's proportion of the net OPEB liability (asset)	1.1947738%	1.2718808%	1.2657319%
District's proportionate share of the net OPEB liability (asset)	\$63,896,813	\$49,624,096	(\$20,339,022)
District's covered payroll	\$123,521,243	\$137,344,686	\$155,696,757
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	51.73%	36.13%	(13.06%)
Plan fiduciary net position as a percentage of the total OPEB liability	37.30%	47.10%	176.00%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	2017	2018	2019
District's proportion of the net OPEB liability (asset)	1.3576831%	1.6246029%	1.6338322%
District's proportionate share of the net OPEB liability (asset)	\$38,698,991	\$43,600,073	\$45,326,920
District's covered payroll	\$39,854,686	\$40,989,557	\$57,497,859
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	97.10%	106.37%	78.83%
Plan fiduciary net position as a percentage of the total OPEB liability	N/A	12.46%	13.57%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability, which is the prior year end.

TOLEDO PUBLIC SCHOOL DISTRICT

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
1.2757519%	1.3184539%	1.418445%	1.406695%
(\$21,129,522)	(\$23,171,818)	(\$29,906,763)	(\$36,424,006)
\$149,118,600	\$167,079,393	\$179,678,936	\$190,882,879
(14.17%)	(13.87%)	(16.64%)	(19.08%)
174.74%	182.13%	174.73%	230.70%

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
1.5445981%	1.5629058%	1.632862%	1.683093%
\$38,843,394	\$33,967,058	\$30,903,244	\$23,630,803
\$52,827,222	\$45,396,514	\$56,597,679	\$64,076,293
73.53%	74.82%	54.60%	36.88%
15.57%	18.17%	24.08%	30.34%

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of District's Other Postemployment Benefit (OPEB) Contributions
Last Nine Fiscal Years***

State Teachers Retirement System

Fiscal Year	2015	2016	2017
Contractually required contribution	\$0	\$0	\$0
Contributions in relation to the contractually required contribution	0	0	0
Contribution deficiency (excess)	\$0	\$0	\$0
District's covered payroll	\$114,103,786	\$123,521,243	\$137,344,686
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	2015	2016	2017
Contractually required contribution	\$734,430	\$796,662	\$594,639
Contributions in relation to the contractually required contribution	734,430	796,662	594,639
Contribution deficiency (excess)	\$0	\$0	\$0
District's covered payroll	\$33,411,912	\$39,854,686	\$40,989,557
Contributions as a percentage of covered payroll	2.20%	2.00%	1.45%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.

Information prior to 2015 is not available.

TOLEDO PUBLIC SCHOOL DISTRICT

2018	2019	2020	2021	2022	2023
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0
\$155,696,757	\$149,118,600	\$167,079,393	\$179,678,936	\$190,882,879	\$190,357,879
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

2018	2019	2020	2021	2022	2023
\$1,026,501	\$828,215	\$456,132	\$455,945	\$614,457	\$676,865
1,026,501	828,215	456,132	455,945	614,457	676,865
\$0	\$0	\$0	\$0	\$0	\$0
\$57,497,859	\$52,827,222	\$45,396,514	\$56,597,679	\$64,076,293	\$64,831,014
1.79%	1.57%	1.00%	0.81%	0.96%	1.04%

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Required Supplementary Information for the Fiscal Year Ended June 30, 2023

NET PENSION LIABILITY

SERS

Changes in benefit terms – For fiscal years 2023 through 2019, there were no changes to benefit terms. For fiscal year 2018, the following were the most significant changes in benefits that affected the total pension liability since the prior measurement date:

- The cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.5 percent with a floor of 0 percent beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendars 2018, 2019, and 2020.

There were no changes to benefit terms for fiscal years 2015 through 2017.

Changes in assumptions

For fiscal year 2023, the following changes were made to the actuarial assumptions as identified. These new assumptions compared with those used in fiscal year 2022 and prior are presented below:

- Cost of living adjustment was increased from 2.00% to 2.50%.

For fiscal year 2022, the following changes were made to the actuarial assumptions as identified. These new assumptions compared with those used in fiscal year 2021 and prior are presented below:

- Assumed rate of inflation was reduced from 3.00% to 2.40%
- Payroll growth assumption was reduced from 3.50% to 1.75%
- Assumed real wage growth was increased from 0.50% to 0.85%
- Cost-of-Living-Adjustments was reduced from 2.50% to 2.00%
- The discount rate was reduced from 7.50% to 7.00%
- Rates of withdrawal, compensation, participation, spouse coverage assumption, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
 - PUB-2010 General Amount Weighted Below Median Employee mortality table. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.
- Mortality among service retired members was updated to the following:
 - PUB-2010 General Employee Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.
- Mortality among contingent survivors was updated to the following:
 - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023***

NET PENSION LIABILITY (Continued)

SERS (Continued)

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

For fiscal years 2021, 2020, and 2019 there were no changes in assumptions.

For fiscal year 2018, the following changes were made to the actuarial assumptions as identified. These new assumptions compared with those used in fiscal year 2017 and prior are presented below:

- Assumed rate of inflation was reduced from 3.25% to 3.00%
- Payroll Growth Assumption was reduced from 4.00% to 3.50%
- Assumed real wage growth was reduced from 0.75% to 0.50%
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. The above rates represent the base rates used.
- Mortality among service retired members, and beneficiaries was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates.
- Mortality among disable member was updated to the following:
 - RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

There were no changes in assumptions for fiscal years 2015 through 2017.

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2023

NET PENSION LIABILITY (Continued)

STRS

Changes in benefit terms – For fiscal years 2023 through 2019, there were no changes to benefit terms. For fiscal year 2018, the cost of living adjustment (COLA) was reduced to 0 percent effective July 1, 2017. There were no changes to benefit terms for fiscal years 2015 through 2017.

Changes in assumptions

For fiscal year 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Total salary increase rates were lowered to a range of 2.5 percent to 8.5 percent.
- Updated the health and disability mortality assumptions to the Pub-2010 Teachers Healthy Annuitant Mortality Table projected forward generationally using mortality improvement scale MP-2020.
- Demographic assumptions were modified to reflect the June 30, 2021 experience study.

In fiscal year 2022 the investment return was lowered from 7.45 percent to 7.00 percent. For fiscal year 2021, 2020, and 2019, there were no changes in assumptions. For fiscal year 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Inflation assumptions were lowered from 2.75 percent to 2.50 percent.
- Investment return assumptions were lowered from 7.75 percent to 7.45 percent.
- Total salary increases rates were lowered by decreasing merit component of the individual salary increases, as well as by 0.25 percent due to lower inflation.
- Payroll growth assumptions were lowered to 3.00 percent.
- Updated the health and disability mortality assumption to the RP-2014 mortality tables with generational improvement scale MP-2016.
- Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

There were no changes in assumptions for fiscal years 2015 through 2017.

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2023

NET OPEB LIABILITY (ASSET)

SERS

Changes in benefit terms – There were no changes to benefit terms for fiscal years 2023 - 2018.

Changes in assumptions

For fiscal year 2023, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate was changed from 2.27% to 4.08%

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

- The discount rate was changed from 2.63% to 2.27%
- The investment rate of return was reduced from 7.50% to 7.00%
- Assumed rate of inflation was reduced from 3.00% to 2.40%
- Payroll Growth Assumption was reduced from 3.50% to 1.75%
- Assumed real wage growth was increased from 0.50% to 0.85%
- Rates of withdrawal, retirement and disability were updated to reflect recent experience
- Rate of health care participation for future retirees and spouses was updated to reflect recent experience
- Mortality among active members was updated to the following:
 - PUB-2010 General Amount Weighted Below Median Employee mortality table.
- Mortality among service retired members was updated to the following:
 - PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females.
- Mortality among beneficiaries was updated to the following:
 - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.
- Mortality among disabled member was updated to the following:
 - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.
- Mortality rates are projected using a fully generational projection with Scale MP-2020.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023***

NET OPEB LIABILITY (ASSET) (Continued)

SERS (Continued)

For fiscal year 2021, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate decreased from 3.13 percent to 2.45 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22 percent to 2.63 percent.

For fiscal year 2020, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate decreased from 3.62 percent to 3.13 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70 percent to 3.22 percent.
- The medical trend assumption rate changed as follows:
 - Medicare – 2019 – 5.375 to 4.75 percent, 2020 – 5.25 to 4.75 percent
 - Pre-Medicare – 2019 – 7.25 to 4.75 percent, 2020 – 7.00 to 4.75

For fiscal year 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate was changed from 3.63 percent to 3.70 percent.
- The municipal bond index rate increased from 3.56 percent to 3.62 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63 percent to 3.70 percent.
- The medical trend assumption rate changed as follows:
 - Medicare – 2018 – 5.50 to 5.00 percent, 2019 – 5.375 to 4.75 percent
 - Pre-Medicare – 2018 – 7.50 to 5.00 percent, 2019 – 7.25 to 4.75

For fiscal year 2018, the following was the most significant change of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate was increased from 2.98 percent to 3.63.

TOLEDO PUBLIC SCHOOL DISTRICT

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2023

NET OPEB LIABILITY (ASSET) (Continued)

SERS (Continued)

For fiscal year 2017, the following was the most significant change of assumptions that affected the total OPEB liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.25% to 3.00%
- Payroll Growth Assumption was reduced from 4.00% to 3.50%
- Assumed real wage growth was reduced from 0.75% to 0.50%
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females.
- Mortality among service retired members, and beneficiaries was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates.
- Mortality among disabled members was updated to the following:
 - RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

STRS

Changes in benefit terms

For fiscal year 2023 the following was the most significant change in benefit terms that affected the total OPEB liability since the prior measurement date:

- Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based.

For fiscal year 2022 the following was the most significant change in benefit terms that affected the total OPEB liability since the prior measurement date:

- The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023***

NET OPEB LIABILITY (ASSET) (Continued)

STRS (Continued)

For fiscal year 2021 the following was the most significant change in benefit terms that affected the total OPEB liability since the prior measurement date:

- The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

For fiscal year 2020, the following was the most significant change in benefit terms that affected the total OPEB liability since the prior measurement date:

- The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% 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% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For fiscal year 2019, the following was the most significant change in benefit terms that affected the total OPEB liability since the prior measurement date:

- The subsidy multiplier for non-Medicare benefit recipients increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements were scheduled to be discontinued beginning January 1, 2020, though the STRS Board voted in June 2019 to extend the current Medicare Part B partial reimbursement for one year.

For fiscal year 2018, STRS has the following changes in benefit terms since the previous measurement date:

- The HealthSpan HMO plans were eliminated.
- The subsidy multiplier for non-Medicare benefit recipients was reduced to 1.9 percent per year of service from 2.1 percent.
- Medicare Part B premium reimbursements were discontinued for survivors and beneficiaries who were age 65 by 2008 and either receiving a benefit or named as a beneficiary as of January 1, 2008.
- The remaining Medicare Part B premium reimbursements will be phased out over a three-year period.

There were no changes to benefit terms for fiscal year 2017.

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023***

NET OPEB LIABILITY (ASSET) (Continued)

STRS (Continued)

Changes in assumptions

For fiscal year 2023 there were no changes in assumptions.

In fiscal year 2022 the investment return was lowered from 7.45 percent to 7.00 percent.

For fiscal year 2021 the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
 - Medical Medicare – from 4.93 percent to (6.69) percent initial, 4 percent ultimate
 - Medical Pre-Medicare – from 5.87 percent to 5.00 percent initial, 4 percent ultimate
 - Prescription Drug Medicare – from 9.62 percent to 11.87 percent initial, 4 percent ultimate
 - Prescription Drug Pre-Medicare – from 7.73 percent to 6.50 initial, 4 percent ultimate

For fiscal year 2020, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
 - Medical Medicare – from 6 percent to 4.93 percent initial, 4 percent ultimate
 - Medical Pre-Medicare – from 5 percent to 5.87 percent initial, 4 percent ultimate
 - Prescription Drug Medicare – from 8 percent to 9.62 percent initial, 4 percent ultimate
 - Prescription Drug Pre-Medicare – from -5.23 percent to 7.73 initial, 4 percent ultimate

For fiscal year 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate increased from a 4.13 percent blended discount rate to 7.45 percent.
- The health care trend assumption rate changed from 6 to 11 percent initial, 4.5 percent ultimate to:
 - Medical Medicare – 6 percent initial, 4 percent ultimate
 - Medical Pre-Medicare – 5 percent initial, 4 percent ultimate
 - Prescription Drug Medicare – 8 percent initial, 4 percent ultimate
 - Prescription Drug Pre-Medicare – -5.23 percent initial, 4 percent ultimate

TOLEDO PUBLIC SCHOOL DISTRICT

***Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023***

NET OPEB LIABILITY (ASSET) (Continued)

STRS (Continued)

For fiscal year 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB 74.
- The long-term rate of return was reduced to 7.45 percent.
- Valuation-year per capita health costs were updated.
- The percentage of future retirees electing each option was updated based on current data.
- The assumed future trend rates were modified.
- Decrement rates including mortality, disability, retirement, and withdrawal were modified.
- The assumed percentage of future disabled retirees assumed to elect health coverage was decreased from 84 percent to 65 percent, and the assumed percentage of terminated vested participants assumed to elect health coverage at retirement was decreased from 47 percent to 30 percent.
- The assumed salary scale was modified.

There were no changes in assumptions for fiscal year 2017.

COMBINING AND ***I***NDIVIDUAL ***F***UND
STATEMENTS AND ***S***CHEDULES

THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS AND INTERNAL
SERVICE FUNDS.

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Food Service Fund

A fund used to record financial transactions related to food service operations.

Special Trust Fund

To account for contributions, investment earnings, and other revenues to be used for community gifts and awards.

Uniform School Supplies Fund

A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District. Profit derived from such sales is to be used for school purposes or activities in connection with the school. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Vocational Rotary Fund

A fund provided to account for revenue and expenses made in connection with goods and services provided by a school district. Activities using this fund tend to be curricular in nature. As an example, this fund would be used to account for receipts and purchases made in connection with the sale of consumer services provided by vocational education classes such as cosmetology or auto mechanics. This fund is also used to account for "Life Enrichment Programs" offered by a school district. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Adult Education Fund

A fund provided to account for transactions made in connection with adult education classes.

School Building Support Fund

A fund provided to account for specific local revenue sources, other than taxes that are restricted to expenditures for specific purposes approved by board resolution. Such expenditures may include curricular and extracurricular related purchases. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

(Continued)

Special Revenue Funds (Continued)

Other Grants Fund

A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

District Agency Fund

A fund provided to account for monies belonging to the District, to be distributed out to other District funds at a later date. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

School Facilities Maintenance Fund

A fund provided to account for the proceeds of a levy for the maintenance of facilities

Administratively Managed Student Activity Fund

A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs This fund would usually include athletic programs but could also include the band, cheerleaders, flag corp., and other similar types of activities.

Auxiliary Services Fund

A fund used to account for monies that provide services and materials to pupils attending non-public schools within the school district.

Public School Preschool Fund

A fund to assist school districts in paying the cost of preschool programs for three and four year olds.

Data Communication Fund

A fund used to account for monies received for the maintenance of the Ohio Educational Computer Network connections.

Miscellaneous State Grants Fund

A fund used to account for money received from the state government which is not classified elsewhere.

(Continued)

Special Revenue Funds (Continued)

Special Education Handicapped Fund

Provision of Grants to assist states in the identification of handicapped children, development of procedural safeguards, implementation of less restrictive alternative services patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Vocational Education Fund

Provision of funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects. Includes sex equity grants.

Title VII Bilingual Education Program Fund

Provision of funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational need of children of limited English proficiency.

Title I Fund

To provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

Drug Free School Grants Fund

A fund used to account for monies used to provide all students with access to a well-rounded education and improvement of school conditions for learning.

Preschool Grants for the Handicapped Fund

To provide financial assistance to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Improving Teacher Quality Fund

A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, to reduce the number of students per teacher.

Miscellaneous Federal Grants Fund

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which is not classified elsewhere.

Title I School Improvement Stimulus A Fund

To help schools improve the teaching and learning of children failing, or most at risk of failing to meet State academic achievement standards.

Title I School Improvement Stimulus G Fund

To support and restore State funding for elementary, secondary, post-secondary education and as applicable early childhood programs. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances because there were no balances to report on a GAAP basis)

(Continued)

Special Revenue Funds (Continued)

Head Start Fund

A fund used to account for various monies from the federal government to support low-income families in the comprehensive development of children from birth to age five.

Vocational Education Enhancement Fund

A fund used to account for Vocational Education Enhancement that: 1) expand number of students enrolled in tech prep programs, 2) enable students to develop career plans, 3) replace or update equipment essential for instruction of students in job skills.

Student Wellness and Success Fund

A fund used to account for various monies received to assist the District to plan and launch health and wellness services to meet the needs of student wellness initiatives. (The Balance Sheet is not presented because there were no balances to report on a GAAP basis. (This fund only exists on a GAAP basis and is not part of the City's appropriated budget, therefore no budgetary schedule is presented.))

Governor's Emergency Education Relief (GEER) Fund

A fund used to account for various monies received from the governor to assist the District to plan and launch health and wellness services to meet the needs of student wellness initiatives.

Debt Service Fund

The Debt Service Funds are used to account for the retirement of the District's general long-term debt.

Debt Service Fund

This fund is used for the accumulation of resources for, and the payment of, long term debt principal and interest.

Capital Projects Fund

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Permanent Improvement Fund

A fund used to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities.

Permanent Fund

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the District's programs.

Endowments Fund

A fund used to account for money, securities, or lands which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact.

TOLEDO PUBLIC SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 10,850,717	\$ 6,687,384	\$ 5,131,075	\$ 833,631	\$ 23,502,807
Cash with Fiscal Agent	0	0	972,219	0	972,219
Receivables:					
Taxes	1,405,408	12,671,857	4,591,308	0	18,668,573
Accounts	21,398	0	0	0	21,398
Intergovernmental	10,142,921	0	0	0	10,142,921
Interest	13,899	0	5,698	1,122	20,719
Inventory Held for Resale	272,556	0	0	0	272,556
Total Assets	\$ 22,706,899	\$ 19,359,241	\$ 10,700,300	\$ 834,753	\$ 53,601,193
Liabilities:					
Accounts Payable	\$ 2,302,383	\$ 0	\$ 450,730	\$ 0	\$ 2,753,113
Accrued Wages and Benefits	4,325,936	0	0	0	4,325,936
Intergovernmental Payable	1,668,544	0	0	0	1,668,544
Retainage Payable	0	0	972,219	0	972,219
Interfund Loans Payable	2,715,639	0	0	0	2,715,639
Total Liabilities	11,012,502	0	1,422,949	0	12,435,451
Deferred Inflows of Resources:					
Unavailable Amounts	1,414,199	4,157,810	1,313,277	0	6,885,286
Property Tax for Next Fiscal Year	907,892	7,951,911	3,078,676	0	11,938,479
Total Deferred Inflows of Resources	2,322,091	12,109,721	4,391,953	0	18,823,765
Fund Balances:					
Nonspendable	0	0	0	604,246	604,246
Restricted	10,235,591	7,249,520	4,885,398	230,507	22,601,016
Unassigned	(863,285)	0	0	0	(863,285)
Total Fund Balances	9,372,306	7,249,520	4,885,398	834,753	22,341,977
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 22,706,899	\$ 19,359,241	\$ 10,700,300	\$ 834,753	\$ 53,601,193

TOLEDO PUBLIC SCHOOL DISTRICT

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023***

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ 1,028,723	\$ 9,557,322	\$ 3,322,870	\$ 0	\$ 13,908,915
Tuition	14,849	0	0	0	14,849
Food Services	424,832	0	0	0	424,832
Investment Earnings	(277,675)	0	(4,729)	(14,652)	(297,056)
Extracurricular Activities	576,821	0	0	0	576,821
Class Materials and Fees	863	0	0	0	863
Intergovernmental - State	6,185,968	1,876,863	118,765	0	8,181,596
Intergovernmental - Federal	68,132,525	0	0	0	68,132,525
All Other Revenue	2,521,615	0	913,647	0	3,435,262
Total Revenue	78,608,521	11,434,185	4,350,553	(14,652)	94,378,607
Expenditures:					
Current:					
Instruction	20,634,909	0	0	0	20,634,909
Supporting Services	25,865,138	214,309	67,637	1,995	26,149,079
Operation of Non-Instructional Services	33,308,995	0	0	0	33,308,995
Extracurricular Activities	814,161	0	0	0	814,161
Capital Outlay	759,915	0	2,404,683	0	3,164,598
Debt Service:					
Principal Retirement	0	7,240,000	0	0	7,240,000
Interest and Fiscal Charges	0	3,783,644	0	0	3,783,644
Total Expenditures	81,383,118	11,237,953	2,472,320	1,995	95,095,386
Excess (Deficiency) of Revenues Over Expenditures	(2,774,597)	196,232	1,878,233	(16,647)	(716,779)
Other Financing Sources (Uses):					
Transfers In	136,576	0	0	0	136,576
Transfers Out	(33,362)	0	0	0	(33,362)
Total Other Financing Sources (Uses)	103,214	0	0	0	103,214
Net Change in Fund Balances	(2,671,383)	196,232	1,878,233	(16,647)	(613,565)
Fund Balances at Beginning of Year	12,043,689	7,053,288	3,007,165	851,400	22,955,542
Fund Balances End of Year	\$ 9,372,306	\$ 7,249,520	\$ 4,885,398	\$ 834,753	\$ 22,341,977

TOLEDO PUBLIC SCHOOL DISTRICT**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023**

	Food Service	Special Trust	Adult Education	Other Grants
Assets:				
Cash and Cash Equivalents	\$ 1,885,224	\$ 888,762	\$ 449,178	\$ 158,766
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	1,119
Intergovernmental	0	0	0	2,835
Interest	1,078	1,577	0	0
Inventory Held for Resale	272,556	0	0	0
Total Assets	\$ 2,158,858	\$ 890,339	\$ 449,178	\$ 162,720
Liabilities:				
Accounts Payable	\$ 42,168	\$ 984	\$ 575	\$ 54,525
Accrued Wages and Benefits	206,084	0	17,163	0
Intergovernmental Payable	50,003	0	10,209	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	298,255	984	27,947	54,525
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	0
Property Tax for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances:				
Restricted	1,860,603	889,355	421,231	108,195
Unassigned	0	0	0	0
Total Fund Balances (Deficit)	1,860,603	889,355	421,231	108,195
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,158,858	\$ 890,339	\$ 449,178	\$ 162,720

TOLEDO PUBLIC SCHOOL DISTRICT

School Facilities Maintenance	Administratively Managed Student Activity	Auxiliary Services Program	Public School Preschool	Data Communication	Miscellaneous State Grants
\$ 5,819,521	\$ 738,097	\$ 524,977	\$ 0	\$ 175,548	\$ 122,098
1,405,408	0	0	0	0	0
0	1,350	0	0	0	0
0	0	0	204,348	0	75,006
8,565	1,148	1,531	0	0	0
0	0	0	0	0	0
<u>\$ 7,233,494</u>	<u>\$ 740,595</u>	<u>\$ 526,508</u>	<u>\$ 204,348</u>	<u>\$ 175,548</u>	<u>\$ 197,104</u>
\$ 778,483	\$ 58,215	\$ 177,169	\$ 0	\$ 22,011	\$ 6,427
0	0	76,303	28,660	0	0
9,279	240	30,634	15,075	0	0
0	0	0	15,712	0	0
<u>787,762</u>	<u>58,455</u>	<u>284,106</u>	<u>59,447</u>	<u>22,011</u>	<u>6,427</u>
437,757	0	0	40,054	0	0
907,892	0	0	0	0	0
<u>1,345,649</u>	<u>0</u>	<u>0</u>	<u>40,054</u>	<u>0</u>	<u>0</u>
5,100,083	682,140	242,402	104,847	153,537	190,677
0	0	0	0	0	0
<u>5,100,083</u>	<u>682,140</u>	<u>242,402</u>	<u>104,847</u>	<u>153,537</u>	<u>190,677</u>
<u>\$ 7,233,494</u>	<u>\$ 740,595</u>	<u>\$ 526,508</u>	<u>\$ 204,348</u>	<u>\$ 175,548</u>	<u>\$ 197,104</u>

(Continued)

TOLEDO PUBLIC SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023**

	Special Education Handicapped	Vocational Education	Title VII Bilingual Education Program	Title I
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 14,107	\$ 0	\$ 0
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	334
Intergovernmental	1,709,793	112,148	3,954	4,715,149
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
Total Assets	<u>\$ 1,709,793</u>	<u>\$ 126,255</u>	<u>\$ 3,954</u>	<u>\$ 4,715,483</u>
Liabilities:				
Accounts Payable	\$ 18,109	\$ 0	\$ 0	\$ 406,469
Accrued Wages and Benefits	1,007,835	115,725	663	1,992,003
Intergovernmental Payable	315,400	35,526	751	941,674
Interfund Loans Payable	530,711	0	846	1,387,889
Total Liabilities	<u>1,872,055</u>	<u>151,251</u>	<u>2,260</u>	<u>4,728,035</u>
Deferred Inflows of Resources:				
Unavailable Amounts	351,016	0	0	6,638
Property Tax for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	<u>351,016</u>	<u>0</u>	<u>0</u>	<u>6,638</u>
Fund Balances:				
Restricted	0	0	1,694	0
Unassigned	(513,278)	(24,996)	0	(19,190)
Total Fund Balances (Deficit)	<u>(513,278)</u>	<u>(24,996)</u>	<u>1,694</u>	<u>(19,190)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,709,793</u>	<u>\$ 126,255</u>	<u>\$ 3,954</u>	<u>\$ 4,715,483</u>

TOLEDO PUBLIC SCHOOL DISTRICT

<u>Drug Free School Grants</u>	<u>Preschool Grants for the Handicapped</u>	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Title I School Improvement Stimulus A</u>	<u>Head Start</u>
\$ 0	\$ 0	\$ 74,439	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	17,997	0	0	61
162,921	21,121	165,606	929,424	256,133	1,750,768
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 162,921</u>	<u>\$ 21,121</u>	<u>\$ 258,042</u>	<u>\$ 929,424</u>	<u>\$ 256,133</u>	<u>\$ 1,750,829</u>
\$ 17,650	\$ 1,286	\$ 36,127	\$ 189,116	\$ 153,170	\$ 338,706
49,383	14,805	56,602	162,479	5,069	593,162
23,746	3,901	53,026	58,167	3,435	117,003
77,625	4,099	0	391,258	94,875	193,575
<u>168,404</u>	<u>24,091</u>	<u>145,755</u>	<u>801,020</u>	<u>256,549</u>	<u>1,242,446</u>
2,502	2,180	2,050	408,779	11,895	150,658
0	0	0	0	0	0
<u>2,502</u>	<u>2,180</u>	<u>2,050</u>	<u>408,779</u>	<u>11,895</u>	<u>150,658</u>
0	0	110,237	0	0	357,725
(7,985)	(5,150)	0	(280,375)	(12,311)	0
<u>(7,985)</u>	<u>(5,150)</u>	<u>110,237</u>	<u>(280,375)</u>	<u>(12,311)</u>	<u>357,725</u>
<u>\$ 162,921</u>	<u>\$ 21,121</u>	<u>\$ 258,042</u>	<u>\$ 929,424</u>	<u>\$ 256,133</u>	<u>\$ 1,750,829</u>

(Continued)

TOLEDO PUBLIC SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023**

	Vocational Education Enhancement	GEER/School Based Health Centers	Total Nonmajor Special Revenue Funds
Assets:			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 10,850,717
Receivables:			
Taxes	0	0	1,405,408
Accounts	537	0	21,398
Intergovernmental	20,931	12,784	10,142,921
Interest	0	0	13,899
Inventory Held for Resale	0	0	272,556
Total Assets	<u>\$ 21,468</u>	<u>\$ 12,784</u>	<u>\$ 22,706,899</u>
Liabilities:			
Accounts Payable	\$ 1,193	\$ 0	\$ 2,302,383
Accrued Wages and Benefits	0	0	4,325,936
Intergovernmental Payable	475	0	1,668,544
Interfund Loans Payable	6,265	12,784	2,715,639
Total Liabilities	<u>7,933</u>	<u>12,784</u>	<u>11,012,502</u>
Deferred Inflows of Resources:			
Unavailable Amounts	670	0	1,414,199
Property Tax for Next Fiscal Year	0	0	907,892
Total Deferred Inflows of Resources	<u>670</u>	<u>0</u>	<u>2,322,091</u>
Fund Balances:			
Restricted	12,865	0	10,235,591
Unassigned	0	0	(863,285)
Total Fund Balances (Deficit)	<u>12,865</u>	<u>0</u>	<u>9,372,306</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 21,468</u>	<u>\$ 12,784</u>	<u>\$ 22,706,899</u>



TOLEDO PUBLIC SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023**

	Food Service	Special Trust	Adult Education	Other Grants
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tuition	0	0	14,849	0
Food Service	424,832	0	0	0
Investment Earnings	12,443	(24,477)	0	0
Extracurricular Activities	0	13,534	0	0
Classroom Materials and Fees	0	0	0	0
State Sources	589,935	0	338,723	0
Federal Sources	12,551,386	0	205,294	0
Miscellaneous Revenue	266,789	64,354	0	2,036,066
Total Revenue	13,845,385	53,411	558,866	2,036,066
Expenditures:				
Current:				
Instruction	0	49,518	370,742	0
Support Services	431,997	43,307	57,622	2,512,573
Non-Instructional Services	14,114,119	0	0	0
Extracurricular Activities	0	1,342	0	2,280
Capital Outlay	0	0	0	0
Total Expenditures	14,546,116	94,167	428,364	2,514,853
Excess (Deficiency) of Revenues Over Expenditures	(700,731)	(40,756)	130,502	(478,787)
Other Financing Sources (Uses):				
Transfers In	0	253	0	0
Transfers Out	0	0	0	(273)
Total Other Financing Sources (Uses)	0	253	0	(273)
Net Change in Fund Balances	(700,731)	(40,503)	130,502	(479,060)
Fund Balances (Deficits) at Beginning of Year	2,561,334	929,858	290,729	587,255
Fund Balances (Deficits) End of Year	\$ 1,860,603	\$ 889,355	\$ 421,231	\$ 108,195

TOLEDO PUBLIC SCHOOL DISTRICT

School Facilities Maintenance	Administratively Managed Student Activity	Auxiliary Services Program	Public School Preschool	Data Communication	Miscellaneous State Grants
\$ 1,028,723	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
(219,952)	(8,339)	(37,350)	0	0	0
0	563,287	0	0	0	0
0	863	0	0	0	0
1,155,448	0	2,487,316	1,239,814	141,988	180,268
0	1,350	0	0	0	208,633
0	36,142	0	0	0	118,095
<u>1,964,219</u>	<u>593,303</u>	<u>2,449,966</u>	<u>1,239,814</u>	<u>141,988</u>	<u>506,996</u>
0	1,257	0	888,105	0	0
4,233,081	0	0	182,337	85,353	442,761
0	0	2,935,445	44,899	0	9,917
0	810,539	0	0	0	0
0	0	0	0	0	0
<u>4,233,081</u>	<u>811,796</u>	<u>2,935,445</u>	<u>1,115,341</u>	<u>85,353</u>	<u>452,678</u>
(2,268,862)	(218,493)	(485,479)	124,473	56,635	54,318
0	136,323	0	0	0	0
0	(33,089)	0	0	0	0
0	103,234	0	0	0	0
(2,268,862)	(115,259)	(485,479)	124,473	56,635	54,318
7,368,945	797,399	727,881	(19,626)	96,902	136,359
<u>\$ 5,100,083</u>	<u>\$ 682,140</u>	<u>\$ 242,402</u>	<u>\$ 104,847</u>	<u>\$ 153,537</u>	<u>\$ 190,677</u>

(Continued)

TOLEDO PUBLIC SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023**

	Special Education Handicapped	Vocational Education	Title VII Bilingual Education Program	Title I
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tuition	0	0	0	0
Food Service	0	0	0	0
Investment Earnings	0	0	0	0
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
State Sources	0	0	0	0
Federal Sources	8,957,058	1,411,670	59,261	22,133,325
Miscellaneous Revenue	0	0	0	0
Total Revenue	8,957,058	1,411,670	59,261	22,133,325
Expenditures:				
Current:				
Instruction	6,275,286	1,042,099	20,759	11,055,705
Support Services	2,273,466	324,409	34,027	8,153,098
Non-Instructional Services	404,661	0	0	2,129,073
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	8,953,413	1,366,508	54,786	21,337,876
Excess (Deficiency) of Revenues Over Expenditures	3,645	45,162	4,475	795,449
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	3,645	45,162	4,475	795,449
Fund Balances (Deficits) at Beginning of Year	(516,923)	(70,158)	(2,781)	(814,639)
Fund Balances (Deficits) End of Year	\$ (513,278)	\$ (24,996)	\$ 1,694	\$ (19,190)

TOLEDO PUBLIC SCHOOL DISTRICT

Drug Free School Grants	Preschool Grants for the Handicapped	Improving Teacher Quality	Miscellaneous Federal Grants	Title I School Improvement Stimulus A	Head Start
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,193,990	191,890	1,491,569	4,103,374	1,042,148	13,886,475
0	0	0	0	0	0
<u>1,193,990</u>	<u>191,890</u>	<u>1,491,569</u>	<u>4,103,374</u>	<u>1,042,148</u>	<u>13,886,475</u>
0	19,552	0	854,374	57,512	0
1,047,385	146,724	1,135,848	3,502,293	975,303	237,435
108,641	0	150,582	30,573	0	13,381,085
0	0	0	0	0	0
0	0	0	64,813	0	0
<u>1,156,026</u>	<u>166,276</u>	<u>1,286,430</u>	<u>4,452,053</u>	<u>1,032,815</u>	<u>13,618,520</u>
37,964	25,614	205,139	(348,679)	9,333	267,955
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
37,964	25,614	205,139	(348,679)	9,333	267,955
(45,949)	(30,764)	(94,902)	68,304	(21,644)	89,770
<u>\$ (7,985)</u>	<u>\$ (5,150)</u>	<u>\$ 110,237</u>	<u>\$ (280,375)</u>	<u>\$ (12,311)</u>	<u>\$ 357,725</u>

(Continued)

TOLEDO PUBLIC SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023**

	Vocational Education Enhancement	Student Wellness and Success	GEER/School Based Health Centers	Total Nonmajor Special Revenue Funds
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 1,028,723
Tuition	0	0	0	14,849
Food Service	0	0	0	424,832
Investment Earnings	0	0	0	(277,675)
Extracurricular Activities	0	0	0	576,821
Classroom Materials and Fees	0	0	0	863
State Sources	52,476	0	0	6,185,968
Federal Sources	0	0	695,102	68,132,525
Miscellaneous Revenue	0	169	0	2,521,615
Total Revenue	52,476	169	695,102	78,608,521
Expenditures:				
Current:				
Instruction	0	0	0	20,634,909
Support Services	46,119	0	0	25,865,138
Non-Instructional Services	0	0	0	33,308,995
Extracurricular Activities	0	0	0	814,161
Capital Outlay	0	0	695,102	759,915
Total Expenditures	46,119	0	695,102	81,383,118
Excess (Deficiency) of Revenues Over Expenditures	6,357	169	0	(2,774,597)
Other Financing Sources (Uses):				
Transfers In	0	0	0	136,576
Transfers Out	0	0	0	(33,362)
Total Other Financing Sources (Uses)	0	0	0	103,214
Net Change in Fund Balances	6,357	169	0	(2,671,383)
Fund Balances (Deficits) at Beginning of Year	6,508	(169)	0	12,043,689
Fund Balances (Deficits) End of Year	\$ 12,865	\$ 0	\$ 0	\$ 9,372,306

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$321,693,494</u>	<u>\$323,423,318</u>	<u>\$ 1,729,824</u>
Total Expenditures and Other Financing Uses	<u>379,961,948</u>	<u>378,747,909</u>	<u>1,214,039</u>
Net Change in Fund Balance	(58,268,454)	(55,324,591)	2,943,863
Fund Balance at Beginning of Year	128,974,703	128,974,703	0
Prior Year Encumbrances	<u>10,582,748</u>	<u>10,582,748</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 81,288,997</u>	<u>\$ 84,232,860</u>	<u>\$ 2,943,863</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – ESSER Fund
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 91,625,645</u>	<u>\$ 58,005,925</u>	<u>\$(33,619,720)</u>
Total Expenditures and Other Financing Uses	<u>92,845,663</u>	<u>64,364,342</u>	<u>28,481,321</u>
Net Change in Fund Balance	(1,220,018)	(6,358,417)	(5,138,399)
Fund Balance at Beginning of Year	(21,431,107)	(21,431,107)	0
Prior Year Encumbrances	<u>18,541,262</u>	<u>18,541,262</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (4,109,863)</u>	<u>\$ (9,248,262)</u>	<u>\$ (5,138,399)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	FOOD SERVICE FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 14,329,730</u>	<u>\$ 12,829,420</u>	<u>\$ (1,500,310)</u>
Total Expenditures and Other Financing Uses	<u>14,648,429</u>	<u>14,077,130</u>	<u>571,299</u>
Net Change in Fund Balance	(318,699)	(1,247,710)	(929,011)
Fund Balance at Beginning of Year	2,270,479	2,270,479	0
Prior Year Encumbrances	<u>212,219</u>	<u>212,219</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,163,999</u>	<u>\$ 1,234,988</u>	<u>\$ (929,011)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	SPECIAL TRUST FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 88,438</u>	<u>\$ 98,377</u>	<u>\$ 9,939</u>
Total Expenditures and Other Financing Uses	<u>935,226</u>	<u>97,727</u>	<u>837,499</u>
Net Change in Fund Balance	(846,788)	650	847,438
Fund Balance at Beginning of Year	887,181	887,181	0
Prior Year Encumbrances	<u>3,651</u>	<u>3,651</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 44,044</u>	<u>\$ 891,482</u>	<u>\$ 847,438</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 6,072	\$ 10,569	\$ 4,497
Total Expenditures and Other Financing Uses	356,289	64,223	292,066
Net Change in Fund Balance	(350,217)	(53,654)	296,563
Fund Balance at Beginning of Year	337,733	337,733	0
Prior Year Encumbrances	7,695	7,695	0
Fund Balance at End of Year	\$ (4,789)	\$ 291,774	\$ 296,563

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 31,017</u>	<u>\$ 9,787</u>	<u>\$ (21,230)</u>
Total Expenditures and Other Financing Uses	<u>66,404</u>	<u>9,861</u>	<u>56,543</u>
Net Change in Fund Balance	(35,387)	(74)	35,313
Fund Balance at Beginning of Year	39,372	39,372	0
Prior Year Encumbrances	<u>655</u>	<u>655</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,640</u>	<u>\$ 39,953</u>	<u>\$ 35,313</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 617,000</u>	<u>\$ 558,866</u>	<u>\$ (58,134)</u>
Total Expenditures and Other Financing Uses	<u>529,934</u>	<u>446,243</u>	<u>83,691</u>
Net Change in Fund Balance	87,066	112,623	25,557
Fund Balance at Beginning of Year	307,055	307,055	0
Prior Year Encumbrances	<u>12,829</u>	<u>12,829</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 406,950</u></u>	<u><u>\$ 432,507</u></u>	<u><u>\$ 25,557</u></u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

SCHOOL BUILDING SUPPORT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 454,450</u>	<u>\$ 306,940</u>	<u>\$ (147,510)</u>
Total Expenditures and Other Financing Uses	<u>1,168,399</u>	<u>313,566</u>	<u>854,833</u>
Net Change in Fund Balance	(713,949)	(6,626)	707,323
Fund Balance at Beginning of Year	607,278	607,278	0
Prior Year Encumbrances	<u>32,526</u>	<u>32,526</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (74,145)</u>	<u>\$ 633,178</u>	<u>\$ 707,323</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	OTHER GRANTS FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 2,612,485</u>	<u>\$ 2,033,431</u>	<u>\$ (579,054)</u>
Total Expenditures and Other Financing Uses	<u>3,481,383</u>	<u>2,947,683</u>	<u>533,700</u>
Net Change in Fund Balance	(868,898)	(914,252)	(45,354)
Fund Balance at Beginning of Year	455,408	455,408	0
Prior Year Encumbrances	<u>391,319</u>	<u>391,319</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (22,171)</u>	<u>\$ (67,525)</u>	<u>\$ (45,354)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	DISTRICT AGENCY FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 240,000</u>	<u>\$ 170,585</u>	<u>\$ (69,415)</u>
Total Expenditures and Other Financing Uses	<u>220,942</u>	<u>170,585</u>	<u>50,357</u>
Net Change in Fund Balance	19,058	0	(19,058)
Fund Balance at Beginning of Year	<u>22</u>	<u>22</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 19,080</u>	<u>\$ 22</u>	<u>\$ (19,058)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

SCHOOL FACILITIES MAINTENANCE FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,318,125</u>	<u>\$ 2,290,647</u>	<u>\$ (27,478)</u>
Total Expenditures and Other Financing Uses	<u>6,518,155</u>	<u>5,644,832</u>	<u>873,323</u>
Net Change in Fund Balance	(4,200,030)	(3,354,185)	845,845
Fund Balance at Beginning of Year	6,067,862	6,067,862	0
Prior Year Encumbrances	<u>1,608,895</u>	<u>1,608,895</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,476,727</u>	<u>\$ 4,322,572</u>	<u>\$ 845,845</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,557,105</u>	<u>\$ 751,341</u>	<u>\$ (805,764)</u>
Total Expenditures and Other Financing Uses	<u>2,379,840</u>	<u>903,700</u>	<u>1,476,140</u>
Net Change in Fund Balance	(822,735)	(152,359)	670,376
Fund Balance at Beginning of Year	726,013	726,013	0
Prior Year Encumbrances	<u>86,451</u>	<u>86,451</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (10,271)</u>	<u>\$ 660,105</u>	<u>\$ 670,376</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,026,706</u>	<u>\$ 2,506,966</u>	<u>\$ (519,740)</u>
Total Expenditures and Other Financing Uses	<u>3,919,430</u>	<u>3,136,836</u>	<u>782,594</u>
Net Change in Fund Balance	(892,724)	(629,870)	262,854
Fund Balance at Beginning of Year	776,808	776,808	0
Prior Year Encumbrances	<u>133,892</u>	<u>133,892</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,976</u>	<u>\$ 280,830</u>	<u>\$ 262,854</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,279,868</u>	<u>\$ 1,075,520</u>	<u>\$ (204,348)</u>
Total Expenditures and Other Financing Uses	<u>1,287,449</u>	<u>1,123,923</u>	<u>163,526</u>
Net Change in Fund Balance	(7,581)	(48,403)	(40,822)
Fund Balance at Beginning of Year	<u>32,691</u>	<u>32,691</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 25,110</u>	<u>\$ (15,712)</u>	<u>\$ (40,822)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

DATA COMMUNICATION FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 96,988</u>	<u>\$ 141,988</u>	<u>\$ 45,000</u>
Total Expenditures and Other Financing Uses	<u>205,100</u>	<u>199,750</u>	<u>5,350</u>
Net Change in Fund Balance	(108,112)	(57,762)	50,350
Fund Balance at Beginning of Year	26,629	26,629	0
Prior Year Encumbrances	<u>81,483</u>	<u>81,483</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 50,350</u>	<u>\$ 50,350</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 514,517</u>	<u>\$ 439,511</u>	<u>\$ (75,006)</u>
Total Expenditures and Other Financing Uses	<u>653,505</u>	<u>476,392</u>	<u>177,113</u>
Net Change in Fund Balance	(138,988)	(36,881)	102,107
Fund Balance at Beginning of Year	(70,584)	(70,584)	0
Prior Year Encumbrances	<u>219,486</u>	<u>219,486</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,914</u>	<u>\$ 112,021</u>	<u>\$ 102,107</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

SPECIAL EDUCATION HANDICAPPED FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 11,188,513</u>	<u>\$ 9,289,104</u>	<u>\$ (1,899,409)</u>
Total Expenditures and Other Financing Uses	<u>9,918,893</u>	<u>8,613,371</u>	<u>1,305,522</u>
Net Change in Fund Balance	1,269,620	675,733	(593,887)
Fund Balance at Beginning of Year	(1,447,721)	(1,447,721)	0
Prior Year Encumbrances	<u>177,814</u>	<u>177,814</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (287)</u>	<u>\$ (594,174)</u>	<u>\$ (593,887)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,537,656</u>	<u>\$ 1,418,543</u>	<u>\$ (119,113)</u>
Total Expenditures and Other Financing Uses	<u>1,488,136</u>	<u>1,385,741</u>	<u>102,395</u>
Net Change in Fund Balance	49,520	32,802	(16,718)
Fund Balance at Beginning of Year	(199,491)	(199,491)	0
Prior Year Encumbrances	<u>162,546</u>	<u>162,546</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 12,575</u>	<u>\$ (4,143)</u>	<u>\$ (16,718)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 114,919</u>	<u>\$ 64,461</u>	<u>\$ (50,458)</u>
Total Expenditures and Other Financing Uses	<u>113,805</u>	<u>64,193</u>	<u>49,612</u>
Net Change in Fund Balance	1,114	268	(846)
Fund Balance at Beginning of Year	(8,470)	(8,470)	0
Prior Year Encumbrances	<u>7,356</u>	<u>7,356</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (846)</u>	<u>\$ (846)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	TITLE I FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 30,234,936</u>	<u>\$ 20,060,372</u>	<u>\$(10,174,564)</u>
Total Expenditures and Other Financing Uses	<u>29,575,505</u>	<u>21,943,078</u>	<u>7,632,427</u>
Net Change in Fund Balance	659,431	(1,882,706)	(2,542,137)
Fund Balance at Beginning of Year	(1,821,362)	(1,821,362)	0
Prior Year Encumbrances	<u>1,161,161</u>	<u>1,161,161</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (770)</u>	<u>\$ (2,542,907)</u>	<u>\$ (2,542,137)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

DRUG FREE SCHOOL GRANTS FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,512,581</u>	<u>\$ 1,090,786</u>	<u>\$ (421,795)</u>
Total Expenditures and Other Financing Uses	<u>2,194,019</u>	<u>1,303,522</u>	<u>890,497</u>
Net Change in Fund Balance	(681,438)	(212,736)	468,702
Fund Balance at Beginning of Year	(82,409)	(82,409)	0
Prior Year Encumbrances	<u>54,779</u>	<u>54,779</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (709,068)</u>	<u>\$ (240,366)</u>	<u>\$ 468,702</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 214,265</u>	<u>\$ 193,325</u>	<u>\$ (20,940)</u>
Total Expenditures and Other Financing Uses	<u>210,949</u>	<u>195,175</u>	<u>15,774</u>
Net Change in Fund Balance	3,316	(1,850)	(5,166)
Fund Balance at Beginning of Year	(4,934)	(4,934)	0
Prior Year Encumbrances	<u>1,399</u>	<u>1,399</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (219)</u>	<u>\$ (5,385)</u>	<u>\$ (5,166)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,999,267</u>	<u>\$ 1,597,057</u>	<u>\$ (1,402,210)</u>
Total Expenditures and Other Financing Uses	<u>2,927,820</u>	<u>1,629,929</u>	<u>1,297,891</u>
Net Change in Fund Balance	71,447	(32,872)	(104,319)
Fund Balance at Beginning of Year	(113,126)	(113,126)	0
Prior Year Encumbrances	<u>141,678</u>	<u>141,678</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 99,999</u>	<u>\$ (4,320)</u>	<u>\$ (104,319)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

MISCELLANEOUS FEDERAL GRANTS FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 10,659,269</u>	<u>\$ 4,489,877</u>	<u>\$ (6,169,392)</u>
Total Expenditures and Other Financing Uses	<u>10,452,283</u>	<u>5,145,183</u>	<u>5,307,100</u>
Net Change in Fund Balance	206,986	(655,306)	(862,292)
Fund Balance at Beginning of Year	(1,215,650)	(1,215,650)	0
Prior Year Encumbrances	<u>905,404</u>	<u>905,404</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (103,260)</u>	<u>\$ (965,552)</u>	<u>\$ (862,292)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,550,011</u>	<u>\$ 828,708</u>	<u>\$ (1,721,303)</u>
Total Expenditures and Other Financing Uses	<u>2,549,453</u>	<u>1,220,698</u>	<u>1,328,755</u>
Net Change in Fund Balance	558	(391,990)	(392,548)
Fund Balance at Beginning of Year	(97,375)	(97,375)	0
Prior Year Encumbrances	<u>96,817</u>	<u>96,817</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (392,548)</u>	<u>\$ (392,548)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 59,174</u>	<u>\$ 59,174</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	59,174	59,174
Fund Balance at Beginning of Year	<u>(59,174)</u>	<u>(59,174)</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ (59,174)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 59,174</u></u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	HEAD START FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 21,209,811</u>	<u>\$ 14,221,223</u>	<u>\$ (6,988,588)</u>
Total Expenditures and Other Financing Uses	<u>20,664,509</u>	<u>16,087,020</u>	<u>4,577,489</u>
Net Change in Fund Balance	545,302	(1,865,797)	(2,411,099)
Fund Balance at Beginning of Year	(3,077,619)	(3,077,619)	0
Prior Year Encumbrances	<u>2,625,503</u>	<u>2,625,503</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 93,186</u>	<u>\$ (2,317,913)</u>	<u>\$ (2,411,099)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 73,536</u>	<u>\$ 48,200</u>	<u>\$ (25,336)</u>
Total Expenditures and Other Financing Uses	<u>55,759</u>	<u>55,603</u>	<u>156</u>
Net Change in Fund Balance	17,777	(7,403)	(25,180)
Fund Balance at Beginning of Year	(9,577)	(9,577)	0
Prior Year Encumbrances	<u>3,637</u>	<u>3,637</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 11,837</u>	<u>\$ (13,343)</u>	<u>\$ (25,180)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023***

	GEER FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 760,639</u>	<u>\$ 682,318</u>	<u>\$ (78,321)</u>
Total Expenditures and Other Financing Uses	<u>760,639</u>	<u>698,154</u>	<u>62,485</u>
Net Change in Fund Balance	0	(15,836)	(15,836)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (15,836)</u>	<u>\$ (15,836)</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2023***

	DEBT SERVICE FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 10,960,463</u>	<u>\$ 11,415,875</u>	<u>\$ 455,412</u>
Total Expenditures and Other Financing Uses	<u>11,228,644</u>	<u>11,237,953</u>	<u>(9,309)</u>
Net Change in Fund Balance	(268,181)	177,922	446,103
Fund Balance at Beginning of Year	<u>6,509,462</u>	<u>6,509,462</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6,241,281</u>	<u>\$ 6,687,384</u>	<u>\$ 446,103</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2023***

	PERMANENT IMPROVEMENT FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 3,477,080</u>	<u>\$ 4,416,227</u>	<u>\$ 939,147</u>
Total Expenditures and Other Financing Uses	<u>6,279,326</u>	<u>5,801,096</u>	<u>478,230</u>
Net Change in Fund Balance	(2,802,246)	(1,384,869)	1,417,377
Fund Balance at Beginning of Year	1,455,358	1,455,358	0
Prior Year Encumbrances	<u>2,079,326</u>	<u>2,079,326</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 732,438</u>	<u>\$ 2,149,815</u>	<u>\$ 1,417,377</u>

TOLEDO PUBLIC SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Funds
For the Fiscal Year Ended June 30, 2023***

	ENDOWMENTS FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 15,429</u>	<u>\$ 14,394</u>	<u>\$ (1,035)</u>
Total Expenditures and Other Financing Uses	<u>237,708</u>	<u>1,995</u>	<u>235,713</u>
Net Change in Fund Balance	(222,279)	12,399	234,678
Fund Balance at Beginning of Year	<u>821,232</u>	<u>821,232</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 598,953</u>	<u>\$ 833,631</u>	<u>\$ 234,678</u>

Internal Service Funds

Internal Service Funds are used to account for financing goods or services provided by one activity to other activities of the District on a cost-reimbursement basis.

Rotary Fund

To account for operations which provide goods and services provided by the District. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund has no activity on a GAAP basis).

Intra-District Services Fund

To account for operations which provide goods and/or services to other areas within the District.

Health Insurance Fund

To account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision or any other similar employee benefit.

Workers' Compensation Fund

To account for receipts and expenditures with regard to Workers' Compensation Self Insurance.

Severance Liabilities Fund

To account for the severance payments to be paid to future retirees.

TOLEDO PUBLIC SCHOOL DISTRICT**Combining Statement of Net Position
Internal Service Funds
June 30, 2023**

	Intra-District Services	Health Insurance	Workers' Compensation	Severance Liabilities	Total
Assets:					
Cash and Cash Equivalents	\$ 2,261,505	\$ 5,028,633	\$ 7,065,644	\$ 5,315,262	\$ 19,671,044
Receivables:					
Accounts	59,484	0	1,184	0	60,668
Intergovernmental	9,643	0	0	0	9,643
Interest	0	7,147	9,096	7,636	23,879
Total Assets	<u>2,330,632</u>	<u>5,035,780</u>	<u>7,075,924</u>	<u>5,322,898</u>	<u>19,765,234</u>
Liabilities:					
Accounts Payable	99,846	1,241,161	6,300	0	1,347,307
Accrued Wages and Benefits	0	8,431,800	0	889,799	9,321,599
Intergovernmental Payable	11,830	0	0	0	11,830
Total Liabilities	<u>111,676</u>	<u>9,672,961</u>	<u>6,300</u>	<u>889,799</u>	<u>10,680,736</u>
Net Position:					
Unrestricted	<u>2,218,956</u>	<u>(4,637,181)</u>	<u>7,069,624</u>	<u>4,433,099</u>	<u>9,084,498</u>
Total Net Position	<u>\$ 2,218,956</u>	<u>\$ (4,637,181)</u>	<u>\$ 7,069,624</u>	<u>\$ 4,433,099</u>	<u>\$ 9,084,498</u>

TOLEDO PUBLIC SCHOOL DISTRICT

**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2023**

	Intra-District Services	Health Insurance	Workers' Compensation	Severance Liabilites	Total
Operating Revenues:					
Interfund Charges	\$ 220,063	\$ 53,909,052	\$ 1,812,516	\$ 3,895,536	\$ 59,837,167
Total Operating Revenues	220,063	53,909,052	1,812,516	3,895,536	59,837,167
Operating Expenses:					
Personal Services	0	0	1,328,820	4,678,293	6,007,113
Purchased Services	209,118	64,639,101	0	0	64,848,219
Total Operating Expenses	209,118	64,639,101	1,328,820	4,678,293	70,855,332
Operating Income (Loss)	10,945	(10,730,049)	483,696	(782,757)	(11,018,165)
Nonoperating Expenses:					
Investment Earnings	0	(506,408)	(112,574)	(190,911)	(809,893)
Total Nonoperating Expenses	0	(506,408)	(112,574)	(190,911)	(809,893)
Income (Loss) Before Transfers	10,945	(11,236,457)	371,122	(973,668)	(11,828,058)
Transfers In	0	5,000,000	0	0	5,000,000
Transfers Out	0	0	0	0	0
Total Transfers	0	5,000,000	0	0	5,000,000
Change in Net Position	10,945	(6,236,457)	371,122	(973,668)	(6,828,058)
Net Position Beginning of Year	2,208,011	1,599,276	6,698,502	5,406,767	15,912,556
Net Position End of Year	\$ 2,218,956	\$ (4,637,181)	\$ 7,069,624	\$ 4,433,099	\$ 9,084,498

TOLEDO PUBLIC SCHOOL DISTRICT

***Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2023***

	Intra-District Services	Health Insurance	Workers' Compensation
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Interfund Charges	\$227,637	\$53,909,052	\$1,812,516
Cash Payments to Employees for Services and Benefits	(179,468)	(63,661,091)	(1,322,811)
Net Cash Provided (Used) by Operating Activities	<u>48,169</u>	<u>(9,752,039)</u>	<u>489,705</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	5,000,000	0
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>5,000,000</u>	<u>0</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	0	97,106	104,862
Net Cash Provided by Investing Activities	<u>0</u>	<u>97,106</u>	<u>104,862</u>
Net Increase (Decrease) in Cash and Cash Equivalents	48,169	(4,654,933)	594,567
Cash and Cash Equivalents at Beginning of Year, as Restated	2,213,336	9,683,566	6,471,077
Cash and Cash Equivalents at End of Year	<u>\$2,261,505</u>	<u>\$5,028,633</u>	<u>\$7,065,644</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$10,945	(\$10,730,049)	\$483,696
Adjustments to Reconcile Operating Income (Loss) to			
Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(16,543)	0	0
Decrease in Intergovernmental Receivables	7,461	0	0
Increase in Accounts Payable	34,476	491,510	6,300
Increase in Accrued Wages and Benefits	0	486,500	0
Increase (Decrease) in Intergovernmental Payables	11,830	0	(291)
Total Adjustments	<u>37,224</u>	<u>978,010</u>	<u>6,009</u>
Net Cash Provided (Used) by Operating Activities	<u>\$48,169</u>	<u>(\$9,752,039)</u>	<u>\$489,705</u>

During 2023 the fair value of investments decreased by \$19,230, \$24,475 and \$20,457 in the Health Insurance, Workers' Compensation and Severance Liabilities Funds, respectively.

TOLEDO PUBLIC SCHOOL DISTRICT

Severence Liabilities	Total
\$3,895,536	\$59,844,741
<u>(3,978,801)</u>	<u>(69,142,171)</u>
<u>(83,265)</u>	<u>(9,297,430)</u>
0	5,000,000
<u>0</u>	<u>5,000,000</u>
88,684	290,652
<u>88,684</u>	<u>290,652</u>
5,419	(4,006,778)
<u>5,309,843</u>	<u>23,677,822</u>
<u>\$5,315,262</u>	<u>\$19,671,044</u>
(\$782,757)	(\$11,018,165)
0	(16,543)
0	7,461
0	532,286
699,492	1,185,992
<u>0</u>	<u>11,539</u>
<u>699,492</u>	<u>1,720,735</u>
<u>(\$83,265)</u>	<u>(\$9,297,430)</u>



STATISTICAL SECTION



STATISTICAL TABLES

This part of the District annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents

Financial Trends	S 2 – S 11
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
Revenue Capacity	S 12 – S 19
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source, the property tax.	
Debt Capacity	S 20 – S 27
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 34 – S 45
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	

Toledo Public School District

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2014	2015	2016	2017
Governmental Activities				
Net Investment in Capital Assets	\$399,196,714	\$397,688,562	\$394,848,405	\$388,203,178
Restricted for:				
Capital Projects	14,538,912	11,414,880	8,332,462	10,520,906
Debt Service	3,533,300	5,589,194	5,288,828	7,445,781
Permanent Funds:				
Expendable	234,188	232,740	236,247	176,178
Nonexpendable	635,992	503,291	503,291	566,932
Other Purposes	27,516,635	33,192,023	33,366,822	29,890,859
Unrestricted (Deficit)	27,695,386	(319,997,488)	(303,704,237)	(294,058,282)
Total Governmental Activities Net Position	<u>\$473,351,127</u>	<u>\$128,623,202</u>	<u>\$138,871,818</u>	<u>\$142,745,552</u>
Primary Government				
Net Investment in Capital Assets	\$399,196,714	\$397,688,562	\$394,848,405	\$388,203,178
Restricted	46,459,027	50,932,128	47,727,650	48,600,656
Unrestricted (Deficit)	27,695,386	(319,997,488)	(303,704,237)	(294,058,282)
Total Primary Government Net Position	<u>\$473,351,127</u>	<u>\$128,623,202</u>	<u>\$138,871,818</u>	<u>\$142,745,552</u>

Source: District Treasurer's Office

Toledo Public School District

2018	2019	2020	2021	2022	2023
\$392,851,572	\$400,857,117	\$399,432,285	\$395,765,251	\$400,506,261	\$447,792,567
12,957,533	4,755,489	2,686,166	3,434,662	4,254,544	6,198,675
8,358,648	9,136,513	9,396,988	9,750,878	10,637,851	10,781,452
183,706	205,836	222,985	217,301	247,154	230,507
566,923	605,184	605,184	604,246	604,246	604,246
30,491,650	19,412,699	34,125,173	63,022,197	39,962,825	29,371,949
(234,447,974)	(200,442,335)	(242,833,610)	(290,013,869)	(227,891,504)	(281,331,485)
<u>\$210,962,058</u>	<u>\$234,530,503</u>	<u>\$203,635,171</u>	<u>\$182,780,666</u>	<u>\$228,321,377</u>	<u>\$213,647,911</u>
\$392,851,572	\$400,857,117	\$399,432,285	\$395,765,251	\$400,506,261	\$447,792,567
52,558,460	34,115,721	47,036,496	77,029,284	55,706,620	47,186,829
(234,447,974)	(200,442,335)	(242,833,610)	(290,013,869)	(227,891,504)	(281,331,485)
<u>\$210,962,058</u>	<u>\$234,530,503</u>	<u>\$203,635,171</u>	<u>\$182,780,666</u>	<u>\$228,321,377</u>	<u>\$213,647,911</u>

Toledo Public School District

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2014	2015	2016	2017
Expenses				
Governmental Activities				
Instruction	\$248,414,449	\$246,372,454	\$266,665,914	\$286,130,941
Support Services	112,950,654	114,915,707	120,830,538	140,445,126
Non-Instructional Services	16,218,267	18,785,625	29,007,085	30,991,650
Extracurricular Activities	2,759,367	3,249,709	3,175,089	3,503,091
Interest and Fiscal Charges	5,379,439	6,003,602	6,222,235	4,641,812
<i>Total Primary Government Expenses</i>	<u>\$385,722,176</u>	<u>\$389,327,097</u>	<u>\$425,900,861</u>	<u>\$465,712,620</u>
Program Revenues				
Charges for Services				
Instruction	\$1,972,228	\$2,516,440	\$2,336,190	\$3,278,656
Support Services	6,920,620	7,041,992	5,810,515	7,025,108
Extracurricular Activities	1,597,357	1,183,810	2,197,356	2,306,953
Operating Grants and Contributions	43,841,888	64,885,961	53,962,546	46,642,415
Capital Grants and Contributions	1,579,317	80,091	160,716	158,017
<i>Total Primary Government Program Revenues</i>	<u>55,911,410</u>	<u>75,708,294</u>	<u>64,467,323</u>	<u>59,411,149</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(329,810,766)</u>	<u>(313,618,803)</u>	<u>(361,433,538)</u>	<u>(406,301,471)</u>
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$329,810,766)</u>	<u>(\$313,618,803)</u>	<u>(\$361,433,538)</u>	<u>(\$406,301,471)</u>

Toledo Public School District

2018	2019	2020	2021	2022	2023
\$178,701,230	\$264,917,027	\$309,090,842	\$324,479,964	\$226,158,614	\$232,261,909
98,513,858	138,928,408	162,201,384	180,673,217	163,907,557	193,276,401
24,282,260	29,094,918	31,292,410	31,493,296	28,131,394	41,055,595
1,487,913	3,664,566	3,718,453	3,421,197	4,273,828	6,053,037
5,184,635	5,752,735	4,041,457	3,664,490	1,667,768	3,510,979
<u>\$308,169,896</u>	<u>\$442,357,654</u>	<u>\$510,344,546</u>	<u>\$543,732,164</u>	<u>\$424,139,161</u>	<u>\$476,157,921</u>
\$3,125,603	\$3,570,764	\$3,126,773	\$3,003,711	\$959,167	\$1,058,204
4,779,716	4,211,999	1,968,211	7,287,400	5,049,037	6,370,591
2,423,232	2,726,560	2,375,005	3,255,366	3,043,503	3,004,136
45,139,106	34,160,965	64,393,463	94,423,536	108,773,599	101,400,428
153,570	147,138	140,274	136,817	129,850	6,891,813
<u>55,621,227</u>	<u>44,817,426</u>	<u>72,003,726</u>	<u>108,106,830</u>	<u>117,955,156</u>	<u>118,725,172</u>
<u>(252,548,669)</u>	<u>(397,540,228)</u>	<u>(438,340,820)</u>	<u>(435,625,334)</u>	<u>(306,184,005)</u>	<u>(357,432,749)</u>
<u>(\$252,548,669)</u>	<u>(\$397,540,228)</u>	<u>(\$438,340,820)</u>	<u>(\$435,625,334)</u>	<u>(\$306,184,005)</u>	<u>(\$357,432,749)</u>

(Continued)

Toledo Public School District

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2014	2015	2016	2017
General Revenues and				
Other Changes in Net Position				
Governmental Activities				
Property Taxes Levied for				
General Purposes	\$81,819,809	\$93,981,026	\$95,497,720	\$105,095,175
Special Purposes	923,745	969,039	984,168	1,025,900
Debt Service	9,606,512	9,969,733	10,040,115	10,713,273
Capital Outlay	0	1,675,792	3,083,054	3,335,814
Grants and Entitlements not				
Restricted to Specific Programs	236,669,842	234,601,655	260,941,893	283,724,348
Investment Earnings	15,820	417,843	401,210	2,820,856
Miscellaneous	233,596	859,051	733,994	46,447
Sale of Capital Assets	690,062	0	0	0
Total Primary Government	\$329,959,386	\$342,474,139	\$371,682,154	\$406,761,813
Change in Net Position				
Governmental Activities	\$148,620	\$28,855,336	\$10,248,616	\$460,342
Total Primary				
Government Change in Net Position	\$148,620	\$28,855,336	\$10,248,616	\$460,342

Source: District Treasurer's Office

Toledo Public School District

2018	2019	2020	2021	2022	2023
\$100,275,752	\$101,773,061	\$103,620,585	\$109,136,920	\$109,624,251	\$107,763,172
965,995	974,728	1,002,451	1,037,780	1,005,293	1,028,723
10,188,873	9,848,781	9,612,138	9,229,497	9,051,592	9,557,322
3,118,096	3,146,743	3,227,556	3,339,157	3,233,593	3,322,870
298,057,865	299,757,840	286,075,629	291,585,841	224,590,345	222,590,400
2,966,686	5,029,549	3,495,587	(2,526,188)	3,583,129	(2,741,040)
149,102	577,971	411,542	1,388,115	636,513	1,237,836
0	0	0	0	0	0
<u>\$415,722,369</u>	<u>\$421,108,673</u>	<u>\$407,445,488</u>	<u>\$413,191,122</u>	<u>\$351,724,716</u>	<u>\$342,759,283</u>
\$163,173,700	\$23,568,445	(\$30,895,332)	(\$22,434,212)	\$45,540,711	(\$14,673,466)
<u>\$163,173,700</u>	<u>\$23,568,445</u>	<u>(\$30,895,332)</u>	<u>(\$22,434,212)</u>	<u>\$45,540,711</u>	<u>(\$14,673,466)</u>

Toledo Public School District

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2014	2015	2016	2017
General Fund				
Nonspendable	\$73,616	\$67,451	\$93,390	\$73,732
Committed	0	0	6,621,906	6,621,906
Assigned	8,280,777	8,841,299	5,266,196	2,559,940
Unassigned	20,859,280	30,866,651	41,460,060	51,255,606
<i>Total General Fund</i>	<u>29,213,673</u>	<u>39,775,401</u>	<u>53,441,552</u>	<u>60,511,184</u>
All Other Governmental Funds				
Nonspendable	635,992	732,665	838,051	847,576
Restricted	36,347,497	33,677,935	33,361,828	30,278,420
Unassigned	(744,742)	(2,977,205)	(2,500,006)	(1,270,289)
Total All Other Governmental Funds	<u>36,238,747</u>	<u>31,433,395</u>	<u>31,699,873</u>	<u>29,855,707</u>
<i>Total Governmental Funds</i>	<u><u>\$65,452,420</u></u>	<u><u>\$71,208,796</u></u>	<u><u>\$85,141,425</u></u>	<u><u>\$90,366,891</u></u>

Source: District Treasurer's Office

Toledo Public School District

2018	2019	2020	2021	2022	2023
\$80,303	\$90,539	\$66,083	\$98,017	\$103,520	\$98,749
6,621,906	6,621,906	8,500,000	8,500,000	10,000,000	10,000,000
8,941,239	7,709,713	6,421,012	4,734,814	8,226,376	21,185,410
58,685,088	71,433,503	73,301,462	92,423,175	95,713,596	50,140,490
74,328,536	85,855,661	88,288,557	105,756,006	114,043,492	81,424,649
566,923	605,184	605,184	604,246	604,246	604,246
33,092,331	24,646,803	21,845,721	21,732,662	23,968,851	22,601,016
(2,130,876)	(183,040)	(7,701,581)	(33,328,799)	(12,769,047)	(10,317,864)
31,528,378	25,068,947	14,749,324	(10,991,891)	11,804,050	12,887,398
\$105,856,914	\$110,924,608	\$103,037,881	\$94,764,115	\$125,847,542	\$94,312,047

Toledo Public School District

Changes in Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2014	2015	2016	2017
Revenues:				
Taxes	\$93,007,599	\$104,065,819	\$111,475,291	\$109,515,639
Tuition	1,968,937	2,513,804	2,333,778	3,275,085
Transportation Fees	502,136	585,879	572,147	563,781
Food Services	669,802	546,704	600,033	614,879
Investment Earnings	31,672	410,958	395,342	2,672,290
Extracurricular Activities	501,753	606,027	621,907	602,033
Class Materials and Fees	49,314	71,244	59,516	58,693
Intergovernmental - State	234,244,064	243,750,709	257,825,756	280,254,805
Intergovernmental - Federal	45,483,373	48,352,824	60,319,353	49,758,604
All Other Revenue	7,065,872	7,248,198	6,882,894	7,550,755
Total Revenue	383,524,522	408,152,166	441,086,017	454,866,564
Expenditures:				
Current:				
Instruction	227,264,916	239,436,363	249,302,701	261,427,111
Supporting Services	99,596,810	117,036,455	123,683,420	139,507,314
Non-Instructional Services	15,485,916	27,768,558	29,294,087	29,903,470
Extracurricular Activities	2,668,020	3,190,583	3,171,691	3,422,932
Capital Outlay	11,940,543	3,587,138	9,966,829	1,929,622
Debt Service:				
Principal Retirement	4,805,000	4,570,000	5,180,000	5,425,000
Interest and Fiscal Charges	6,031,150	6,657,267	6,832,291	5,404,941
Advance Refunding Escrow	829,866	0	0	0
Total Expenditures	368,622,221	402,246,364	427,431,019	447,020,390
Excess (Deficiency) of Revenues Over Expenditures	14,902,301	5,905,802	13,654,998	7,846,174
Other Financing Sources (Uses):				
Sale of Capital Assets	690,062	0	0	0
Payments to Refunding Bonds Escrow Agent	(36,345,361)	0	(24,553,999)	0
General Obligation Bonds Issued	32,335,000	0	21,920,000	0
Premium on Issuance of General Obligation Bonds	4,386,617	0	2,911,630	0
New Leases	0	0	0	0
New SBITA	0	0	0	0
Transfers In	118,904	104,697	526,756	281,039
Transfers Out	(118,904)	(104,697)	(526,756)	(281,039)
Total Other Financing Sources (Uses)	1,066,318	0	277,631	0
Net Change in Fund Balance	\$15,968,619	\$5,905,802	\$13,932,629	\$7,846,174
Debt Service as a Percentage of Noncapital Expenditures	3.20%	2.85%	2.85%	2.43%

Source: District Treasurer's Office

Toledo Public School District

2018	2019	2020	2021	2022	2023
\$111,974,940	\$113,490,635	\$115,972,378	\$119,543,979	\$115,883,764	\$120,063,711
3,123,654	3,569,039	3,124,527	3,003,122	959,042	1,057,341
536,390	537,437	378,510	133,770	309,059	642,088
497,126	477,024	382,423	26,939	216,733	424,832
2,847,841	4,562,483	3,262,244	(1,977,316)	2,851,340	(1,624,670)
643,382	683,715	511,745	142,586	653,566	821,416
36,298	27,835	34,064	37,369	32,425	25,356
287,498,829	289,500,191	290,419,733	295,075,130	211,188,573	214,780,705
53,437,424	56,738,048	45,486,804	63,830,723	143,659,118	125,522,154
5,712,148	5,743,950	3,517,854	10,693,716	7,554,089	8,707,308
<u>466,308,032</u>	<u>475,330,357</u>	<u>463,090,282</u>	<u>490,510,018</u>	<u>483,307,709</u>	<u>470,420,241</u>
263,642,104	268,435,721	284,527,454	294,555,312	221,411,188	223,945,653
137,994,996	147,832,450	141,485,035	161,797,215	177,690,706	214,079,636
28,209,907	26,185,307	25,013,647	27,657,926	31,144,781	34,641,212
3,528,392	3,841,206	3,568,262	3,264,709	4,684,557	5,919,919
5,565,894	4,071,521	5,306,971	3,976,213	6,822,892	16,458,151
5,524,995	12,890,000	6,230,000	6,460,000	6,760,000	8,573,690
5,861,818	7,006,458	4,860,862	4,101,653	3,954,135	4,021,938
0	0	0	0	0	0
<u>450,328,106</u>	<u>470,262,663</u>	<u>470,992,231</u>	<u>501,813,028</u>	<u>452,468,259</u>	<u>507,640,199</u>
15,979,926	5,067,694	(7,901,949)	(11,303,010)	30,839,450	(37,219,958)
0	0	0	996,022	0	0
0	0	0	(54,689,414)	(17,507,545)	0
0	0	0	44,540,000	16,960,000	0
0	0	0	10,631,071	791,522	0
0	0	0	0	0	7,014,789
0	0	0	0	0	3,669,674
282,270	10,354,228	513,444	1,556,072	102,901	136,576
(282,270)	(10,354,228)	(498,222)	(1,584,214)	(102,901)	(5,136,576)
<u>0</u>	<u>0</u>	<u>15,222</u>	<u>1,449,537</u>	<u>243,977</u>	<u>5,684,463</u>
<u>\$15,979,926</u>	<u>\$5,067,694</u>	<u>(\$7,886,727)</u>	<u>(\$9,853,473)</u>	<u>\$31,083,427</u>	<u>(\$31,535,495)</u>
2.61%	4.33%	2.40%	2.13%	2.43%	2.85%

Toledo Public School District

*Assessed Valuations and Estimated True Values of Taxable Property
(amounts in thousands)
Last Ten Calendar Years*

Tax year	2013	2014	2015	2016
Real Property				
Assessed	\$2,164,564	\$2,142,644	\$2,105,181	\$2,098,746
Actual	6,184,469	6,121,840	6,014,803	5,996,417
Public Utility				
Assessed	135,775	145,063	150,900	169,527
Actual	135,775	145,063	150,900	169,527
Total				
Assessed	\$2,300,339	\$2,287,707	\$2,256,081	\$2,268,273
Actual	\$6,320,244	\$6,266,903	\$6,165,703	\$6,165,944
Assessed Value as a Percentage of Actual Value	36.40%	36.50%	36.59%	36.79%
Total Direct Tax Rate	\$67.40	\$67.40	\$73.10	\$73.58

Source: Lucas County Auditor

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Assessed value of Real Property is at 35%, Assessed value of Public Utility is at 100%

Toledo Public School District

2017	2018	2019	2020	2021	2022
\$2,088,346	\$2,172,994	\$2,178,495	\$2,227,195	\$2,471,927	\$2,427,439
5,966,703	6,208,554	6,224,271	6,363,414	7,062,649	6,935,540
183,121	190,982	200,743	212,519	224,817	240,015
183,121	190,982	200,743	212,519	224,817	240,015
\$2,271,467	\$2,363,976	\$2,379,238	\$2,439,714	\$2,696,744	\$2,667,454
\$6,149,824	\$6,399,536	\$6,425,014	\$6,575,933	\$7,287,466	\$7,175,555
36.94%	36.94%	37.03%	37.10%	37.01%	37.17%
\$73.58	\$72.85	\$72.85	\$72.05	\$70.98	\$71.37

Toledo Public School District

*Property Tax Rates of Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Calendar Years*

	2013	2014	2015	2016	2017
Direct District Rates					
General Fund	61.70	61.70	66.00	66.28	66.33
Permanent Improvement Fund	0.50	0.50	2.00	2.00	2.00
Bond Retirement Fund	5.20	5.20	5.10	5.30	5.25
Total	<u>67.40</u>	<u>67.40</u>	<u>73.10</u>	<u>73.58</u>	<u>73.58</u>
Overlapping Rates					
Townships:					
Harding	4.80	4.80	4.80	4.80	4.80
Spencer	8.00	8.00	8.00	8.00	8.00
Municipalities:					
City of Toledo	4.40	4.40	4.40	4.40	4.40
Village of Ottawa Hills	4.10	4.10	4.10	4.10	4.10
Lucas County	17.77	17.77	19.77	19.77	17.37
Total	<u>106.47</u>	<u>106.47</u>	<u>114.17</u>	<u>114.65</u>	<u>112.25</u>

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

Source:

Lucas County Auditor's Office
Lucas County Treasurer's Office

Toledo Public School District

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
66.13	66.13	65.95	65.33	65.35
2.00	2.00	2.00	1.50	2.00
<u>4.72</u>	<u>4.72</u>	<u>4.10</u>	<u>4.15</u>	<u>4.02</u>
<u>72.85</u>	<u>72.85</u>	<u>72.05</u>	<u>70.98</u>	<u>71.37</u>
5.05	5.05	5.30	5.30	5.30
4.50	4.50	4.50	4.50	4.50
4.40	4.40	4.40	4.40	4.40
4.10	4.10	4.10	4.10	4.10
<u>17.37</u>	<u>17.37</u>	<u>17.52</u>	<u>17.42</u>	<u>17.42</u>
<u>108.27</u>	<u>108.27</u>	<u>107.87</u>	<u>106.70</u>	<u>107.09</u>

Toledo Public School District

Principal Taxpayers

Real Estate Tax

(amounts in thousands)

Current Year and Nine Years Ago

Calendar Year 2022

Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
GLP Capital LP	Casino	\$56,928	1	2.36%
One Seagate Partners	Realty	7,700	2	0.32%
University Residences at Westwood	Realty	5,861	3	0.24%
First TDT LLC	Hotels	5,688	4	0.24%
LC Country Club	Entertainment	5,515	5	0.23%
Toledo Lucas County Port Authority	Realty	4,289	6	0.18%
Jamestown Apartments	Realty	3,896	7	0.16%
Toledo VA Company	Health Care	3,836	8	0.16%
CREI Toledo LLC	Realty	3,599	9	0.15%
Deerfield Run Apartments LLC	Realty	3,234	10	0.13%
Subtotal		100,546		4.17%
All Others		2,312,903		95.83%
Total		<u>\$2,413,449</u>		<u>100.00%</u>

Calendar Year 2013

Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Gaming Ventures	Casino	\$56,526	1	2.61%
One Seagate Partners	Realty	14,000	2	0.65%
LC - Country Club/Hawthorne Hills	Realty	6,813	3	0.31%
University Resided at Westwood	Realty	5,377	4	0.25%
Airport Square Investments	Realty	5,075	5	0.23%
Toledo VA Company	Realty	4,952	6	0.23%
ERT Southland	Realty	4,641	7	0.21%
Brixmor Miracle Mile	Realty	4,266	8	0.20%
Toledo Edison	Utility	3,712	9	0.17%
Dredging Toledo	Realty	3,620	10	0.17%
Subtotal		108,982		5.03%
All Others		2,055,578		94.97%
Total		<u>\$2,164,560</u>		<u>100.00%</u>

Source: Lucas County Auditor - Land and Buildings
Based on valuation of property in 2022 and 2013

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

*Principal Taxpayers
Public Utilities Tangible Personal Property Tax
(amounts in thousands)
Current Year and Nine Years Ago*

		Calendar Year 2022		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electrical Distribution	\$115,392	1	47.70%
American Transmission, Inc.	Utility	62,204	2	25.72%
Columbia Gas	Utility	62,040	3	25.65%
	Subtotal	239,636		99.07%
	All Others	2,256		0.93%
	Total	\$241,892		100.00%

		Calendar Year 2013		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electrical Distribution	\$93,347	1	68.75%
Columbia Gas	Utility	29,430	2	21.68%
American Transmission, Inc.	Utility	12,519	3	9.22%
	Subtotal	135,296		99.65%
	All Others	478		0.35%
	Total	\$135,774		100.00%

Source: Lucas County Auditor - Land and Buildings
Based on valuation of property in 2022 and 2013

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

*Property Tax Levies and Collections
(amounts in thousands)
Last Ten Years*

Collection Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Tax Levy (1)	\$112,645	\$113,280	\$124,828	\$124,828
Collections within the Fiscal Year of the Levy				
Current Tax Collections (2)	106,675	97,016	106,906	115,564
Percent of Levy Collected	94.70%	85.64%	85.64%	92.58%
Delinquent Tax Collections (3)	<u>9,861</u>	<u>8,878</u>	<u>9,783</u>	<u>7,593</u>
Total Tax Collections	116,536	105,894	116,689	123,157
Percent of Total Tax Collections To Tax Levy	103.45%	93.48%	93.48%	98.66%
Accumulated Outstanding Delinquent Taxes	21,103	28,898	23,882	27,105
Percentage of Accumulated				
Delinquent Taxes to Total Tax Levy	18.73%	25.51%	19.13%	21.71%

(1) Taxes levied and collected are presented on a cash basis.

(2) State reimbursements of rollback and homestead exemptions are included;

(3) The County does not identify delinquent tax collections by tax year. Information for delinquent taxes remaining by levy year is currently not maintained by the County Auditor. The County Auditor is currently working to remedy this situation.

Source: Lucas County Auditor's Office

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$167,619	\$170,676	\$175,806	\$178,156	\$187,986	\$188,821
117,131	117,072	118,957	118,614	120,573	121,078
69.88%	68.59%	67.66%	66.58%	64.14%	64.12%
<u>7,500</u>	<u>6,485</u>	<u>8,432</u>	<u>7,195</u>	<u>7,240</u>	<u>8,637</u>
124,631	123,557	127,389	125,809	127,813	129,715
74.35%	72.39%	72.46%	70.62%	67.99%	68.70%
32,854	35,772	37,913	41,297	49,221	50,090
19.60%	20.96%	21.57%	23.18%	26.18%	26.53%

Toledo Public School District

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2014	2015	2016	2017
Governmental Activities (1)				
General Obligation Bonds Payable	\$158,729,534	\$153,140,847	\$147,377,669	\$142,796,274
Leases Payable	0	0	0	0
SBITA's Payable	0	0	0	0
Total Primary Government	<u>\$158,729,534</u>	<u>\$153,140,847</u>	<u>\$147,377,669</u>	<u>\$142,796,274</u>
 Population (2)				
City of Toledo	282,313	281,031	279,789	278,508
Outstanding Debt Per Capita	\$562	\$545	\$527	\$513
 Income				
Personal (in thousands)	6,743,046	9,363,110	6,834,685	6,803,393
Percentage of Personal Income	2.35%	1.64%	2.16%	2.10%

Sources:

(1) District Treasurer's Office

(2) US Bureau of Census of Population

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

Toledo Public School District

2018	2019	2020	2021	2022	2023
\$136,109,113	\$121,236,008	\$113,885,115	\$94,515,000	\$99,661,092	\$91,192,795
0	0	0	0	5,925,791	5,847,480
0	0	0	0	0	2,656,036
<u>\$136,109,113</u>	<u>\$121,236,008</u>	<u>\$113,885,115</u>	<u>\$94,515,000</u>	<u>\$105,586,883</u>	<u>\$99,696,311</u>
276,491	274,975	272,779	268,609	267,603	266,301
\$492	\$441	\$417	\$352	\$395	\$374
7,808,659	7,859,885	7,736,285	7,850,367	8,369,551	9,123,472
1.74%	1.54%	1.47%	1.20%	1.26%	1.09%

Toledo Public School District

*Ratios of General Bonded Debt Outstanding
(amounts in thousands)
Last Ten Years*

Year	2014	2015	2016	2017
Population ⁽¹⁾	282,313	281,031	279,789	278,508
Assessed Value ⁽²⁾	\$2,164,564	\$2,287,708	\$2,256,081	\$2,268,273
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$158,730	\$153,141	\$147,377	\$142,796
Resources Available to Pay Principal ⁽⁴⁾	\$3,669	\$4,314	\$4,196	\$5,199
Net General Bonded Debt	\$155,061	\$148,827	\$143,181	\$137,597
Ratio of Net Bonded Debt to Assessed Actual Value	7.16%	6.51%	6.35%	6.07%
Net Bonded Debt per Capita	\$549	\$530	\$519	\$494

Source:

- (1) U.S. Bureau of Census of Population
- (2) Lucas County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Toledo Public School District

2018	2019	2020	2021	2022	2023
276,491	274,975	272,779	268,609	267,603	266,301
\$2,271,466	\$2,363,975	\$2,379,238	\$2,439,716	\$2,696,744	\$2,667,454
\$136,109	\$121,236	\$113,885	\$94,515	\$99,661	\$91,193
\$5,855	\$6,499	\$6,682	\$7,011	\$7,053	\$7,250
\$130,254	\$114,737	\$107,203	\$87,504	\$92,608	\$83,943
5.73%	4.85%	4.51%	3.59%	3.43%	3.15%
\$471	\$417	\$393	\$326	\$346	\$315



Toledo Public School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
(amounts in thousands)
June 30, 2023*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Toledo Public School District	Amount Applicable to Toledo Public School District
Direct:			
Toledo Public School District	\$99,696	100.00%	\$99,696
Overlapping:			
Lucas County	86,497	29.19%	25,248
City of Toledo	43,144	69.69%	30,067
		Subtotal	55,316
		Total	\$155,012

Source: Lucas County Auditor

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

Toledo Public School District

*Debt Limitations
(amounts in thousands)
Last Ten Years*

Tax Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net Assessed Valuation	\$2,300,339	\$2,287,707	\$2,256,081	\$2,268,273
Overall Direct Debt Limitation				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	207,031	205,894	203,047	204,145
Applicable District Debt Outstanding	143,855	139,285	149,377	142,796
Less: Applicable Debt Service Fund Amounts (2)	<u>(3,767)</u>	<u>(3,669)</u>	<u>(4,314)</u>	<u>(4,196)</u>
Net Indebtedness Subject to Limitation	<u>140,088</u>	<u>135,616</u>	<u>145,063</u>	<u>138,600</u>
Overall Legal Debt Margin	<u><u>\$66,943</u></u>	<u><u>\$70,278</u></u>	<u><u>\$57,984</u></u>	<u><u>\$65,545</u></u>
Unvoted Direct Debt Limitation				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	2,300	2,288	2,256	2,268
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u><u>\$2,300</u></u>	<u><u>\$2,288</u></u>	<u><u>\$2,256</u></u>	<u><u>\$2,268</u></u>
Energy Conservation Bond Limitation				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	20,703	20,589	20,305	20,414
Authorized by the Board	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation Bond Legal Debt Margin	<u><u>\$20,703</u></u>	<u><u>\$20,589</u></u>	<u><u>\$20,305</u></u>	<u><u>\$20,414</u></u>

(1) Ohio Bond Law sets a limit of 9% for overall debt, 1/10 of 1% for unvoted debt, and 9/10 of 1% for energy conservation debt.

(2) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Toledo Public School District

2017	2018	2019	2020	2021	2022
\$2,271,467	\$2,363,976	\$2,379,238	\$2,439,714	\$2,696,744	\$2,667,454
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
204,432	212,758	214,131	219,574	242,707	240,071
136,109	121,236	113,885	94,515	99,661	91,193
(5,199)	(6,499)	(6,682)	(7,011)	(7,053)	(7,250)
<u>130,910</u>	<u>114,737</u>	<u>107,203</u>	<u>87,504</u>	<u>92,608</u>	<u>83,943</u>
<u>\$73,522</u>	<u>\$98,021</u>	<u>\$106,928</u>	<u>\$132,070</u>	<u>\$150,099</u>	<u>\$156,128</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
2,271	2,364	2,379	2,440	2,697	2,667
0	0	0	0	0	0
<u>\$2,271</u>	<u>\$2,364</u>	<u>\$2,379</u>	<u>\$2,440</u>	<u>\$2,697</u>	<u>\$2,667</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
20,443	21,276	21,413	21,957	24,271	24,007
0	0	0	0	0	0
<u>\$20,443</u>	<u>\$21,276</u>	<u>\$21,413</u>	<u>\$21,957</u>	<u>\$24,271</u>	<u>\$24,007</u>

Toledo Public School District

*Demographic and Economic Statistics
Last Ten Years*

Calendar Year	2013	2014	2015	2016
Population ⁽¹⁾				
City of Toledo	282,313	281,031	279,789	278,508
Lucas County	436,393	435,286	433,689	433,689
Income ^{(2) (a)}				
Total Personal (in thousands)	\$6,743,046	\$9,363,110	\$6,834,685	\$6,803,393
Per Capita	\$23,885	\$33,317	\$24,428	\$24,428
Unemployment Rate ⁽³⁾				
Federal	7.4%	5.9%	5.1%	5.1%
State	7.4%	5.3%	5.2%	5.2%
Lucas County	8.5%	6.3%	5.0%	5.0%

Fiscal Year	2014	2015	2016	2017
School Enrollment ⁽⁴⁾				
Elementary School (K-5 & K-6 configuration)	12,284	12,420	11,054	11,310
Middle School (6-8 & 7-8 configuration)	3,019	3,110	4,702	4,792
High School (9-12)	5,912	5,740	5,824	5,950
Special	40	38	38	38
Total	21,255	21,308	21,618	22,090

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County,
Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office

Toledo Public School District

2017	2018	2019	2020	2021	2022
276,491	274,975	272,779	268,609	267,603	266,301
430,887	429,899	428,348	431,279	429,171	428,117
\$7,808,659	\$7,859,885	\$7,736,285	\$7,850,367	\$8,369,551	\$9,123,472
\$28,242	\$28,584	\$28,361	\$29,226	\$31,276	\$34,260
4.1%	3.9%	11.1%	11.1%	5.9%	3.6%
4.9%	4.6%	11.0%	8.1%	5.3%	3.4%
4.9%	5.5%	12.2%	10.4%	7.1%	4.2%
2018	2019	2020	2021	2022	2023
11,514	13,345	12,823	12,099	11,008	10,856
4,805	2,897	3,095	2,838	3,276	3,202
6,641	6,709	5,988	5,570	5,261	5,895
135	211	935	1,698	1,927	1,210
<u>23,095</u>	<u>23,162</u>	<u>22,841</u>	<u>22,205</u>	<u>21,472</u>	<u>21,163</u>



Toledo Public School District

*Principal Employers
Current Year and Nine Years Ago*

		Fiscal Year 2023		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Promedica Health Systems	BioHealth	14,465	1	4.23%
Mercy Health Partners	BioHealth	8,827	2	2.58%
University of Toledo	Education	7,000	3	2.05%
FCA USA	Manufacturing	6,159	4	1.80%
Toledo Public Schools	Education	3,415	5	1.00%
HCR Manor Care	Health Care Services	3,293	6	0.96%
City of Toledo	Government	2,805	7	0.82%
General Motors	Automotive Manufacture	2,036	8	0.60%
The Andersons	Food Science/Agriculture	1,636	9	0.48%
Owens Corning	Manufacturing	1,545	10	0.45%
Total		51,181		14.97%
Total Employment within the District		290,564		85.03%
		<u>341,745</u>		<u>100.00%</u>

		Fiscal Year 2014		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Promedica	Medical Facilities	10,000	1	3.07%
Mercy Health Partners	Medical Facilities	6,640	2	2.04%
University of Toledo	Education	7,000	3	2.15%
Lucas County	Government	3,368	4	1.03%
Toledo Public Schools	Education	3,177	5	0.97%
Kroger Company	Grocery	2,800	6	0.86%
City of Toledo	Government	2,700	7	0.83%
Walmart	Retail	2,300	8	0.71%
State of Ohio	Government	1,850	9	0.57%
Andersons, Inc	Retail	1,700	10	0.52%
Total		41,535		12.75%
Total Employment within the District		284,640		87.25%
		<u>326,175</u>		<u>100.00%</u>

Source: Toledo Chamber of Commerce and Ohio Department of Job and Family Services

Toledo Public School District

*School District Employees by Type
Last Ten Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Supervisory					
Instructional Administrators	29	27	31	32	63
Noninstructional Administrators	68	64	77	79	105
Principals	47	43	54	55	48
Assistant Principals	35	32	40	41	47
Instruction					
Classroom Teachers					
Elementary	916	925	911	933	1,113
Middle	221	223	223	228	129
High	472	477	475	486	465
Other	131	132	132	135	128
Student Services					
Guidance Counselors	51	55	55	56	51
Psychologists	25	26	26	27	26
Other Professionals (noninstructional)	19	19	20	20	30
Support Services					
Clerical/Secretaries	205	234	220	225	216
Tutors/Aides	356	407	359	368	502
Food Service	168	192	164	168	173
Maintenance/Grounds	268	306	265	271	209
Transportation	166	190	222	227	246
<i>Total Employees</i>	<u>3,177</u>	<u>3,352</u>	<u>3,274</u>	<u>3,351</u>	<u>3,551</u>

Source: District Treasurer's Office

Toledo Public School District

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
130	67	67	62	66
109	117	108	110	83
50	51	52	52	52
54	54	53	48	50
1,111	1,034	1,029	1,067	1,044
129	129	121	124	132
508	525	521	539	524
156	221	234	146	135
55	54	54	48	58
26	27	29	20	31
24	26	30	6	10
213	222	214	221	234
465	459	423	318	372
248	169	162	169	180
275	267	253	243	252
250	259	238	242	227
<u>3,803</u>	<u>3,681</u>	<u>3,588</u>	<u>3,415</u>	<u>3,450</u>

Toledo Public School District

*Operating Indicators - Cost per Pupil
Last Ten Years*

Fiscal Year	2014	2015	2016	2017	2018
Enrollment	21,255	21,308	21,618	22,090	23,095
Modified Accrual Basis					
Operating Expenditures	\$368,622,221	\$402,246,364	\$427,431,019	\$447,020,390	\$450,328,106
Cost per Pupil	\$17,343	\$18,878	\$19,772	\$20,236	\$19,499
Percentage of Change	(9.50%)	8.85%	4.74%	2.35%	(3.64%)
Accrual Basis					
Expenses	\$385,722,176	\$389,327,097	\$425,900,861	\$465,712,620	\$308,169,896
Cost per Pupil	\$18,147	\$18,271	\$19,701	\$21,083	\$13,344
Percentage of Change	(1.13%)	0.68%	7.83%	7.01%	(36.71%)
Teaching Staff	1,740	1,764	1,768	1,870	1,835
Pupil to Teacher Ratio					
Toledo	12.2	12.1	12.2	11.8	12.6

Source: District Treasurer's Office and Ohio Department of Education

Toledo Public School District

2019	2020	2021	2022	2023
23,162	22,841	22,205	21,472	21,163
\$470,262,663	\$470,992,231	\$501,813,028	\$452,468,259	\$507,640,199
\$20,303	\$20,621	\$22,599	\$21,072	\$23,987
4.12%	1.56%	9.59%	(6.76%)	13.83%
\$442,357,654	\$510,344,546	\$543,732,164	\$424,139,161	\$476,157,921
\$19,098	\$22,343	\$24,487	\$19,753	\$22,500
43.13%	16.99%	9.59%	(19.33%)	13.90%
2,164	2,153	2,142	2,571	2,071
10.7	10.6	10.4	8.4	10.2

Toledo Public School District

*Operating Indicators by Function
Last Ten Years*

	2014	2015	2016	2017
Governmental Activities				
Instruction				
Regular	17,382	17,271	17,665	18,050
Special	3,873	4,037	3,953	4,040
Support Services				
Pupils				
Enrollment	21,255	21,308	21,618	22,090
Graduates	922	879	1,118	1,126
Percent of Students with Disabilities	18.22%	19.15%	17.20%	17.20%
Percent of Students with English as Second Language	1.97%	1.98%	2.22%	2.22%
Administration				
School Attendance Rate	93.02%	94.00%	93.80%	93.80%
Fiscal Services				
Purchase Orders Processed	16,043	17,481	17,827	17,840
Checks Issued (non payroll)	18,460	17,707	17,375	17,340
Operation and Maintenance of Plant				
District Square Footage Maintained	5,183,088	5,183,088	4,937,327	4,937,327
District Square Acreage Maintained	144	144	147	147
Pupil Transportation				
Average Daily Students Transported	3,025	3,589	3,948	3,948
Average Daily Bus Fleet Miles	3,224	9,048	10,358	10,358
Number of Buses	115	171	147	147
Operation of Noninstructional Services				
Food Service				
Students Meals Served Daily	19,061	22,172	21,702	21,750
Free/Reduced Price Meals Daily	17,155	21,263	20,780	20,850
Extracurricular Activities				
High School Varsity Teams	48	48	48	48

Source: District Treasurer's Office

Toledo Public School District

2018	2019	2020	2021	2022	2023
17,901	17,993	17,884	17,542	16,867	16,515
5,195	5,169	4,957	4,663	4,605	4,648
23,096	23,162	22,841	22,205	21,472	21,163
1,157	1,098	1,161	1,377	2,422	1,011
22.00%	22.32%	21.10%	21.00%	21.40%	22.00%
1.29%	1.53%	1.81%	1.70%	1.00%	1.00%
91.80%	90.30%	92.90%	85.80%	73.40%	86.50%
18,552	19,063	14,278	13,142	16,681	16,968
16,004	17,558	14,425	10,810	13,678	14,345
4,937,327	4,937,327	4,937,327	5,256,987	5,256,987	4,945,223
147	147	147	147	147	147
4,241	4,016	4,074	439	3,950	6,609
10,842	10,847	11,210	534	42,766	9,044
148	148	137	178	113	185
19,399	21,344	21,334	8,568	17,775	15,696
18,696	20,575	20,384	8,568	17,775	15,159
48	48	48	48	48	48

Toledo Public School District

*Operating Indicators - Teacher Base Salaries
Last Ten Years*

Fiscal Year	2014	2015	2016	2017	2018
Minimum Salary	\$34,427	\$34,771	\$35,116	\$35,870	\$39,341
Maximum Salary	71,580	71,071	73,012	77,292	78,838
District Average Salary	50,848	51,237	51,223	56,744	59,353
County Average Salary	41,556	41,556	40,245	40,540	42,607
State Average Salary	48,308	56,237	48,081	48,099	56,715

Source: District Treasurer's Office and Ohio Department of Education

*Operating Indicators - Teacher by Education
Last Ten Years*

Fiscal Year	2014	2015	2016	2017	2018
Bachelor's Degree	735	755	755	799	890
Master's Degree	984	988	991	1,048	933
Doctorate	21	21	22	23	12
Total	1,740	1,764	1,768	1,870	1,835

Source: District Treasurer's Office

Toledo Public School District

2019	2020	2021	2022	2023
\$39,341	\$39,739	\$40,534	\$41,547	\$41,597
78,838	84,545	86,236	88,392	92,790
62,199	67,403	68,778	72,282	74,411
69,056	47,360	54,444	58,830	55,759
59,713	56,476	58,213	57,799	57,055

2019	2020	2021	2022	2023
1,081	903	927	1,537	864
1,074	1,235	1,199	1,029	1,184
9	15	16	5	23
2,164	2,153	2,142	2,571	2,071

Toledo Public School District

*Capital Asset Statistics by Building
Last Ten Years*

	2014	2015	2016	2017
School Buildings				
High Schools				
Number of Buildings	7	7	7	7
Square Footage	1,798,771	1,798,771	1,798,771	1,798,771
Enrollment	5,783	5,712	6,058	5,952
Elementary Schools				
Number of Buildings	42	42	42	42
Square Footage	2,530,620	2,530,620	2,530,620	2,530,620
Enrollment	14,872	14,996	14,960	15,089
Special Schools				
Number of Buildings	8	8	8	8
Square Footage	358,143	358,143	358,143	358,143
Enrollment	600	600	600	577
All Other				
Central Administration Building				
Square Footage	79,354	79,354	122,862	122,862
Transportation Building				
Square Footage	10,950	10,590	10,950	10,950
Maintenance Building				
Square Footage	115,981	115,981	115,981	115,981

Source: District Treasurer's Office

Toledo Public School District

2018	2019	2020	2021	2022	2023
7	7	7	6	6	6
1,798,771	1,798,771	1,798,771	1,507,077	1,251,755	1,507,107
6,641	6,499	5,988	5,570	5,261	4,891
42	42	42	42	42	40
2,530,620	2,530,620	2,530,620	2,496,616	2,501,731	2,490,731
16,319	16,100	15,918	14,937	14,283	14,065
8	8	9	8	12	12
358,143	358,143	358,143	627,829	663,502	692,690
135	563	935	1,698	1,927	1,543
122,862	122,862	122,862	122,862	122,862	122,862
10,950	10,950	10,950	10,950	10,950	15,852
115,981	115,981	115,981	115,981	115,981	115,981

Toledo Public School District

*Capital Asset Statistics by Function
Last Ten Years*

	2014	2015	2016	2017
Governmental Activities				
Instruction				
Land and Improvements	\$21,484,812	\$21,588,880	\$21,478,034	\$21,478,034
Buildings and Improvements	616,457,334	623,266,182	622,277,716	622,277,716
Machinery and Equipment	4,128,195	3,748,327	8,996,315	10,734,487
Vehicles	522,526	372,411	891,887	1,250,539
Lease Assets	0	0	0	0
Intangible Right-to-Use Assets	0	0	0	0
Construction In Progress	0	0	0	0
Administration				
Land and Improvements	207,367	207,367	208,853	208,853
Buildings and Improvements	10,963,164	10,963,164	11,041,736	11,041,736
Machinery and Equipment	4,482,758	5,011,068	4,514,886	4,514,886
Vehicles	157,931	0	159,063	159,063
Operations and Maintenance of Plant				
Land and Improvements	411,952	411,952	414,904	414,904
Buildings and Improvements	1,504,498	1,504,498	1,515,281	1,515,281
Machinery and Equipment	2,109,652	2,420,467	2,124,772	2,124,772
Vehicles	1,476,022	1,452,013	1,486,601	1,486,601
Transportation Services				
Land and Improvements	58,422	58,422	58,841	58,841
Buildings and Improvements	207,077	207,077	208,561	208,561
Machinery and Equipment	54,943	54,943	55,337	55,337
Vehicles	8,988,924	10,580,116	10,321,508	10,321,508
Non-Instructional Activities				
Land and Improvements	127,715	127,715	128,630	128,630
Buildings and Improvements	4,046,820	3,014,175	4,075,823	4,075,823
Machinery and Equipment	981,930	1,055,912	988,967	988,967
Extracurricular Activities				
Land and Improvements	140,221	140,221	141,226	141,226
Buildings and Improvements	3,199,910	2,507,710	3,222,844	3,222,844
Machinery and Equipment	284,226	357,100	286,263	286,263

Source: District Treasurer's Office

(1) Restated for GASB 87.

(2) Implemented GASB 96.

Toledo Public School District

2018	2019	2020	2021 (1)	2022	2023 (2)
\$21,478,034	\$21,478,034	\$23,691,297	\$23,724,953	\$23,909,842	\$23,964,352
627,744,568	630,747,818	633,770,654	632,073,481	637,332,500	650,981,450
12,379,833	12,383,408	12,751,153	12,991,556	13,368,661	14,890,881
1,250,539	1,250,539	1,346,169	1,533,351	1,533,351	3,726,596
0	0	0	6,230,131	5,925,791	6,131,031
0	0	0	0	0	12,923,128
0	0	0	1,616,558	7,485,103	33,535,815
208,853	365,676	365,676	365,676	365,976	365,976
11,041,736	12,649,591	12,649,591	12,707,452	12,767,692	12,767,692
4,514,886	4,514,886	4,514,886	4,644,455	5,924,277	5,924,277
159,063	159,063	159,063	274,987	175,748	175,748
414,904	414,904	414,904	414,904	414,904	414,904
3,754,595	4,577,575	5,312,371	5,617,625	5,617,625	5,617,625
2,849,397	3,132,406	3,339,226	3,595,516	3,741,562	3,741,562
1,486,601	1,424,876	1,590,263	1,398,420	1,465,494	1,465,494
58,841	58,841	58,841	58,841	58,841	58,841
208,561	208,561	229,761	446,332	446,332	446,332
55,337	55,337	91,837	102,671	135,145	135,145
11,480,871	12,455,170	13,188,329	12,550,500	13,224,355	13,224,355
128,630	128,630	128,630	141,525	141,525	141,525
4,075,823	4,075,823	4,075,823	4,075,823	4,075,823	5,816,368
2,926,885	3,002,088	3,002,088	3,042,811	3,084,637	3,299,271
141,227	141,227	585,944	645,514	645,514	645,514
3,408,146	6,958,285	7,164,626	7,312,228	7,312,228	7,347,945
294,180	294,180	390,864	411,733	420,060	420,060

Toledo Public School District

*Educational and Operating Statistics
Last Ten Years*

	2014	2015	2016	2017	2018
Cost per Student (ODE)					
Toledo	N/A	N/A	N/A	N/A	N/A
Ohio (Average)	N/A	N/A	N/A	N/A	N/A
Attendance Rate					
Toledo	93.02%	96.10%	93.80%	94.80%	91.80%
Ohio (Average)	93.00%	92.40%	92.80%	92.80%	93.64%
Graduation Rate					
Toledo	64.50%	64.50%	70.30%	72.00%	71.40%
Ohio (Average)	82.20%	82.40%	83.20%	83.20%	84.10%

Source:

District's Student Records and Ohio Department of Education

N/A = Not available

Toledo Public School District

2019	2020	2021	2022	2023
N/A	\$15,597	\$11,415	\$19,753	\$22,500
N/A	\$12,693	\$10,334	\$13,027	\$13,580
90.30%	92.90%	85.80%	83.90%	86.50%
94.45%	95.69%	91.50%	90.40%	90.40%
79.10%	80.15%	82.30%	73.40%	75.30%
85.30%	85.90%	87.20%	87.00%	87.00%



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OHIO AUDITOR OF STATE KEITH FABER



TOLEDO CITY SCHOOL DISTRICT

LUCAS 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 2/20/2024

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

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