CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2023

OHIO AUDITOR OF STATE
KEITH FABER

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Board of Education
Miami Valley Career Technology Center
6800 Hoke Road
Englewood, Ohio 45315

We have reviewed the *Independent Auditors' Report* of the Miami Valley Career Technology Center, Montgomery 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.

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 Miami Valley Career Technology Center is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

February 02, 2024

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INDEPENDENT AUDITORS' REPORT

Board of Education
Miami Valley Career Technology Center
6800 Hoke Road
Englewood, Ohio 45315

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 Miami Valley Career Technology Center (the "Center") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Center'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 Center, as of June 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General and Classroom Facilities Maintenance funds 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* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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 Center'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 Center's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2023, on our consideration of the Center'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 Center'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 Center's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
December 27, 2023

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The management's discussion and analysis of the Miami Valley Career Technology Center (the "Center") financial performance provides an overall review of the Center's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the Center's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Center's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2023 are as follows:

- In total, net position of governmental activities decreased $1,605,781 which represents a 3.18% decrease from June 30, 2022's net position.

- General revenues accounted for $39,941,974 in revenue or 74.15% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants accounted for $13,925,711 or 25.85% of total revenues of $53,867,685.

- The Center had $49,234,811 in expenses related to governmental activities and a special item of ($6,238,655) for loss on disposal; $13,925,711 of these expenses were offset by program specific charges for services and operating grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) were not adequate to provide for these programs.

- The Center has five major funds: the general fund, the classroom facilities maintenance fund, the debt service fund, the building fund, and the classroom facilities fund. The general fund had $37,389,000 in revenues and other financing sources and $39,289,040 in expenditures and other financing uses. The general fund's fund balance decreased $1,900,040 from $17,707,228 to $15,807,188.

- The classroom facilities maintenance fund had $2,527,245 in revenues and $48,518 in expenditures. The classroom facilities maintenance fund balance increased $2,478,727 from $11,172,892 to $13,651,619.

- The debt service fund had $8,657,794 in revenues and other financing sources and $8,541,989 in expenditures. The debt service fund balance increased $115,805 from $12,661,484 to $12,777,289.

- The building fund had $829,049 in revenues and other financing sources and $21,787,688 in expenditures. The building fund balance decreased $20,958,639 from $28,273,185 to $7,314,546.

- The classroom facilities fund had $6,425,651 in revenues and other financing sources and $6,670,676 in expenditures. The classroom facilities fund decreased $245,025 from $11,825,028 to $11,580,003.

Using these Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Center as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *statement of net position* and *statement of activities* provide information about the activities of the whole Center, presenting both an aggregate view of the Center's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Center's most significant funds with all other nonmajor funds presented in total in one column. The Center has five major funds: the general fund, the classroom facilities maintenance fund, the debt service fund, the building fund, and the classroom facilities fund.

Reporting the Center as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the Center to provide programs and activities, the view of the Center as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2023?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Center's *net position* and changes in that net position. This change in net position is important because it tells the reader that, for the Center as a whole, the *financial position* of the Center has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Center's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the governmental activities include the Center's programs and services, including instruction, support services, operation and maintenance of facilities, pupil transportation, extracurricular activities, and food service operations.

The Center's statement of net position and statement of activities can be found on pages 17-18 of this report.

Reporting the Center's Most Significant Funds

Fund Financial Statements

The analysis of the Center's major governmental funds begins on page 12. Fund financial reports provide detailed information about the Center's major funds. The Center uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Center's most significant funds. The Center's major governmental funds are the general fund, the classroom facilities maintenance fund, the debt service fund, the building fund, and the classroom facilities fund.

Governmental Funds

Most of the Center'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 financial statements provide a detailed *short-term* view of the Center'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 educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 20-28 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 29-68 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Center's net pension liability, pension contributions, net OPEB liability/asset and OPEB contributions. The required supplementary information can be found on pages 70-90 of this report.

The Center as a Whole

The statement of net position provides the perspective of the Center as a whole.

The table below provides a summary of the Center's net position at June 30, 2023 and June 30, 2022.

Net Position

	Governmental Activities 2023	Governmental Activities 2022
Assets		
Current and other assets	$ 96,773,461	$ 120,896,454
Net OPEB asset	3,937,545	3,276,948
Capital assets, net	151,117,745	129,231,855
Total assets	251,828,751	253,405,257
Deferred Outflows of Resources		
Deferred charges on refunding	379,884	417,873
Pension	9,391,567	9,663,279
OPEB	574,827	686,324
Total deferred outflows of resources	10,346,278	10,767,476
Liabilities		
Current liabilities	9,711,818	10,116,449
Long-term liabilities:		
Due within one year	3,896,541	3,517,987
Due in more than one year:		
Net pension liability	38,773,894	23,308,378
Net OPEB liability	1,243,696	1,720,181
Other amounts	125,884,046	129,298,886
Total liabilities	179,509,995	167,961,881
Deferred Inflows of Resources		
Property taxes levied for next year	24,847,387	21,864,710
Pension	4,128,437	19,215,222
OPEB	4,854,912	4,690,841
Total deferred inflows of resources	33,830,736	45,770,773
Net Position		
Net investment in capital assets	31,115,263	31,308,792
Restricted	33,039,267	31,836,248
Unrestricted (deficit)	(15,320,232)	(12,704,961)
Total net position	$ 48,834,298	$ 50,440,079

The net pension liability is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported 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 Center'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 Center'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 Center is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2023, the Center's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by $48,834,298.

Assets of the Center decreased $1,576,506 or 0.62%. Current and other assets decreased primarily due to an increase in equity in pooled cash and cash equivalents which were used in the Center's construction project.

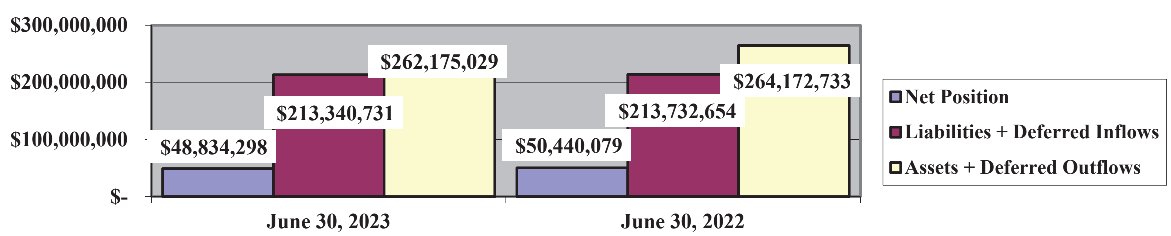
At year-end, capital assets represented 60.01% of total assets. Capital assets include land, construction in progress, buildings and improvements, equipment and intangible right to use assets. Net investment in capital assets at June 30, 2023, was $31,115,263. These capital assets are used to provide services to the students and are not available for future spending. Although the Center'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. Capital assets increased $21.9 million due to additions exceeding current year depreciation and disposals, net of accumulated depreciation.

The net pension liability increased approximately $15.5 million and deferred inflows of resources related to pension decreased $15.1 million. These changes were the result of changes at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS). Primarily, net investment income on investments at both pension systems were negative for the fiscal year 2022 measurement date that are used for the fiscal year 2023 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous fiscal year's large positive investment returns.

A portion of the Center's net position, $33,039,267 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is ($15,320,232).

The graph below shows the Center's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2023 and June 30, 2022.

Governmental Activities



The table below shows the change in net position for fiscal years 2023 and 2022.

Change in Net Position

	Governmental Activities 2023	Governmental Activities 2022
Revenues		
Program revenues:		
Charges for services and sales	$ 1,967,495	$ 2,650,907
Operating grants and contributions	11,858,216	11,587,583
Capital grants and contributions	100,000	-
General revenues:		
Property taxes	23,330,218	26,609,556
Grants and entitlements - unrestricted	14,443,263	12,748,266
Investment earnings	2,032,807	(587,514)
Miscellaneous	135,686	111,407
Total revenues	53,867,685	53,120,205

(Continued)

Change in Net Position (Continued)

	Governmental Activities 2023	Governmental Activities 2022
Expenses		
Program expenses:		
Instruction:		
Regular	$ 1,291,984	$ 1,642,315
Special	922,013	890,537
Vocational	21,316,479	17,960,620
Adult/continuing	3,477,410	2,953,209
Other	2,343	1,262
Support services:		
Pupil	2,114,696	1,918,452
Instructional staff	5,750,935	5,222,913
Board of education	60,016	70,941
Administration	2,781,238	2,580,358
Fiscal	1,401,356	1,329,301
Business	535,497	357,772
Operations and maintenance	3,819,332	3,883,884
Pupil transportation	130,586	111,790
Central	405,110	383,812
Operations of non-instructional services:		
Other non-instructional services	10,938	-
Extracurricular activities	268,191	358,784
Interest and fiscal charges	4,946,687	5,026,627
Total expenses	49,234,811	44,692,577
Special item	(6,238,655)	-
Change in net position	(1,605,781)	8,427,628
Net position at beginning of year	50,440,079	42,012,451
Net position at end of year	$ 48,834,298	$ 50,440,079

Governmental Activities

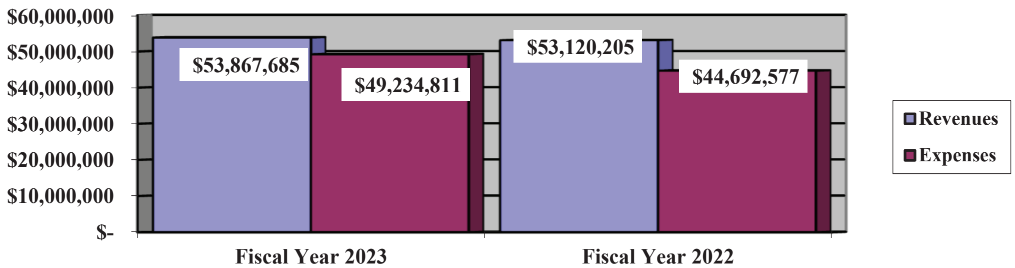
Net position of the Center's governmental activities decreased $1,605,781. Total governmental expenses of $49,234,811 were offset by program revenues of $13,925,711 and general revenues of $39,941,974. Program revenues supported 28.28% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements from the State. These revenue sources account for 69.46% of total governmental revenue. Investment earnings increased due to an increase in interest rates earned on the Center's investments. Operating grants and contributions increased due to increased support from the state and federal government in the form of grants.

Overall, expenses of the governmental activities increased approximately $4.5 million. This increase is primarily the result of an increase in pension expense. Pension expense increase approximately $4.1 million. This increase was the result of an increase in expenses incurred at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS) due to a decrease in net investment income on investments compared to previous years.

The graph below presents the Center's governmental activities revenue and expenses for fiscal years 2023 and 2022.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state grants and entitlements.

Governmental Activities

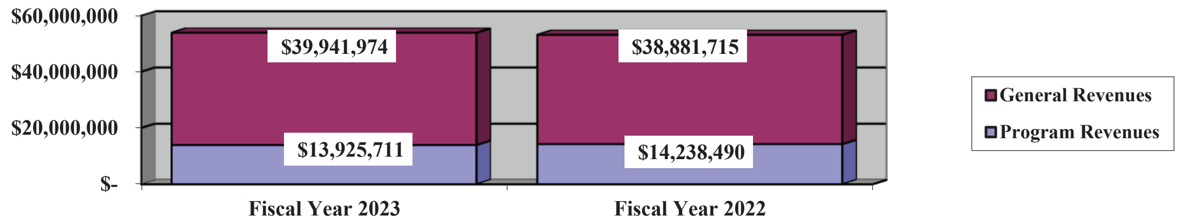
	Total Cost of Services 2023	Net Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2022
Program expenses				
Instruction:				
Regular	$ 1,291,984	$ 1,291,984	$ 1,642,315	$ 1,364,255
Special	922,013	(822,533)	890,537	(856,393)
Vocational	21,316,479	13,764,929	17,960,620	11,450,635
Adult/continuing	3,477,410	1,140,188	2,953,209	8,192
Other	2,343	1,675	1,262	858
Support services:				
Pupil	2,114,696	1,588,367	1,918,452	1,419,379
Instructional staff	5,750,935	4,676,255	5,222,913	3,515,215
Board of education	60,016	60,016	70,941	(81,511)
Administration	2,781,238	2,436,779	2,580,358	2,471,047
Fiscal	1,401,356	1,401,356	1,329,301	1,327,776
Business	535,497	428,533	357,772	357,772
Operations and maintenance	3,819,332	3,811,922	3,883,884	3,825,053
Pupil transportation	130,586	130,576	111,790	111,790
Central	405,110	250,060	383,812	224,791
Operations of non-instructional services:				
Other non-instructional services	10,938	10,938	-	-
Extracurricular activities	268,191	191,368	358,784	288,601
Interest and fiscal charges	4,946,687	4,946,687	5,026,627	5,026,627
Total	$ 49,234,811	$ 35,309,100	$ 44,692,577	$ 30,454,087

The dependence upon tax and other general revenues for governmental activities is apparent as 56.93% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 71.72%. The Center's taxpayers and unrestricted grants and entitlements are the primary support for Center's students.

The Center also recorded a special item of loss on disposal of capital assets for ($6,238,655). This was due to the demolition of buildings and the disposal of the associated equipment that was related to the Center's ongoing building project.

The graph below presents the Center's governmental activities revenue for fiscal years 2023 and 2022.

Governmental Activities - General and Program Revenues



The Center's Funds

The Center's governmental funds reported a combined fund balance of $61,325,178, which is lower than last year's total of $81,739,811.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2023 and 2022.

	Fund Balance June 30, 2023	Fund Balance June 30, 2022	Change	Percentage Change
General fund	$ 15,807,188	$ 17,707,228	$ (1,900,040)	(10.73) %
Classroom facilities maintenance fund	13,651,619	11,172,892	2,478,727	22.19 %
Debt service fund	12,777,289	12,661,484	115,805	0.91 %
Building fund	7,314,546	28,273,185	(20,958,639)	(74.13) %
Classroom facilities fund	11,580,003	11,825,028	(245,025)	(2.07) %
Other governmental funds	194,533	99,994	94,539	94.54 %
Total	$ 61,325,178	$ 81,739,811	$ (20,414,633)	(24.98) %

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General Fund

During fiscal year 2023, the Center's general fund balance decreased $1,900,040. The table that follows assists in illustrating the financial activities of the general fund.

	2023 Amount	2022 Amount	Change	Percentage Change
Revenues				
Property taxes	$ 13,977,412	$ 15,814,296	$ (1,836,884)	(11.62) %
Tuition	1,973,623	1,786,249	187,374	10.49 %
Earnings on investments	238,017	(492,637)	730,654	148.31 %
Intergovernmental	20,527,204	20,642,899	(115,695)	(0.56) %
Other revenues	432,023	511,562	(79,539)	(15.55) %
Total	$ 37,148,279	$ 38,262,369	$ (1,114,090)	(2.91) %
Expenditures				
Instruction	$ 22,700,430	$ 21,908,715	$ 791,715	3.61 %
Support services	15,515,347	14,035,022	1,480,325	10.55 %
Operation of non-instructional:				
Other non-instructional services	10,938	-	10,938	100.00 %
Capital outlay	246,009	-	246,009	100.00 %
Debt service	72,032	21,701	50,331	231.93 %
Total	$ 38,544,756	$ 35,965,438	$ 2,579,318	7.17 %

Revenues of the general fund decreased $1,114,090 or 2.91%. Intergovernmental revenues decreased $115,695 due to changes to career center funding in the State. Property taxes decreased due to the amount available for advance from the county auditors which can fluctuate from year to year.

Expenditures increased $2,579,318 or 7.17%. Instruction and support services increased due to salary and benefit increases.

Classroom Facilities Maintenance Fund

The classroom facilities maintenance fund had $2,527,245 in revenues and $48,518 in expenditures. The classroom facilities fund balance increased $2,478,727 from $11,172,892 to $13,651,619. The increase was the result of property tax revenues exceeding expenditures.

Debt Service Fund

The debt service fund had $8,657,794 in revenues and other financing sources and $8,541,989 in expenditures. The debt service fund balance increased $115,805 from $12,661,484 to 12,777,289. The increase was primarily the result of property tax revenue exceeding debt service expenditures in the fund.

Building Fund

The building fund had $829,049 in revenues and other financing sources and $21,787,688 in expenditures. The building fund balance decreased $20,958,639 from $28,273,185 to $7,314,546. The decrease was the result of expenditures related to the Center's construction of new facilities.

Classroom Facilities Fund

The classroom facilities fund had $6,425,651 in revenues and other financing sources and $6,670,676 in expenditures. The classroom facilities fund decreased $245,025 from $11,825,028 to $11,580,003. The decrease was primarily the result of expenditures related to the Center's construction of new facilities.

General Fund Budgeting Highlights

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

During the course of fiscal year 2023, the Center reallocated its general fund estimated revenue budget. For the general fund, original and final budgeted revenues were $35,879,496. Actual revenues of $36,646,947 were $767,451 more than final budgeted amounts.

General fund actual expenditures plus other financing uses of $37,180,261 were $1,120,035 lower than final appropriations (appropriated expenditures plus other financing uses) of $38,300,296. Original appropriations were $37,791,033.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2023, the Center had $151,117,745 invested in land, construction in progress, buildings and improvements, equipment and intangible right to use assets. This entire amount is reported in governmental activities.

The table below shows June 30, 2023 balances compared to June 30, 2022.

Capital Assets at June 30
(Net of Depreciation)

	Governmental Activities	
	2023	2022
Land	$ 557,080	$ 557,080
Construction in progress	142,927,727	114,486,365
Buildings and improvements	4,923,880	11,201,665
Furniture and equipment	2,506,260	2,959,272
Intangible right to use assets	202,798	27,473
Total	$ 151,117,745	$ 129,231,855

Capital assets increased $21,885,890 during fiscal year 2023. The Center had $29,169,213 in additions, $1,044,668 in depreciation/amortization and $6,238,655 in disposals, net of depreciation.

See Note 8 to the basic financial statements for detail on the Center's capital assets.

Debt Administration

At June 30, 2023 the Center had $128,348,469 in general obligation bonds and leases outstanding. Of this total, $3,412,141 is due within one year and $124,936,328 is due in more than one year. The table below summarizes the long-term obligations outstanding.

Outstanding Debt, at Year End

	Governmental Activities 2023	Governmental Activities 2022
General Obligation Bonds	$ 119,755,000	$ 122,610,000
Premiums	8,623,202	8,993,908
Discounts	(593,040)	(616,762)
Capital appreciation bonds	131,095	275,340
Accreted interest	226,836	370,851
Leases payable	205,376	28,094
Total	$ 128,348,469	$ 131,661,431

See Note 9 to the basic financial statements for detail on the Center's debt administration.

Contacting the Center's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Center's finances and to show the Center's accountability for the money it receives. If you have questions about this report or need additional financial information contact, Mr. Brad McKee, Treasurer, Miami Valley Career Technology Center, 6800 Hoke Road, Englewood, Ohio 45315.

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MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	$ 65,619,843
Restricted assets:	
Equity in pooled cash and cash equivalents	2,024,449
Receivables:	
Property taxes	27,179,133
Accounts	187,296
Accrued interest	117,089
Intergovernmental	1,604,446
Prepayments	41,205
Net OPEB asset	3,937,545
Capital assets:	
Nondepreciable capital assets	143,484,807
Depreciable capital assets, net	7,632,938
Capital assets, net	151,117,745
Total assets	251,828,751
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	379,884
Pension	9,391,567
OPEB	574,827
Total deferred outflows of resources	10,346,278
Liabilities:	
Accounts payable	64,256
Contracts payable	3,587,608
Retainage payable	2,024,449
Accrued wages and benefits payable	3,139,935
Intergovernmental payable	96,726
Pension and postemployment benefit payable	390,150
Accrued interest payable	408,694
Long-term liabilities:	
Due within one year	3,896,541
Due in more than one year:	
Net pension liability	38,773,894
Net OPEB liability	1,243,696
Other amounts due in more than one year	125,884,046
Total liabilities	179,509,995
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	24,847,387
Pension	4,128,437
OPEB	4,854,912
Total deferred inflows of resources	33,830,736
Net position:	
Net investment in capital assets	31,115,263
Restricted for:	
Capital projects	13,434,190
OPEB	859,389
Classroom facilities maintenance	13,772,387
Debt service	4,778,768
State funded programs	65,774
Federally funded programs	73,068
Student activities	36,295
Other purposes	19,396
Unrestricted (deficit)	(15,320,232)
Total net position	$ 48,834,298

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction:					
Regular	$ 1,291,984	$ -	$ -	$ -	$ (1,291,984)
Special	922,013	356,440	1,388,106	-	822,533
Vocational	21,316,479	877,595	6,673,955	-	(13,764,929)
Adult/continuing	3,477,410	244,910	2,092,312	-	(1,140,188)
Other	2,343	646	22	-	(1,675)
Support services:					
Pupil	2,114,696	17,636	508,693	-	(1,588,367)
Instructional staff	5,750,935	315,355	759,325	-	(4,676,255)
Board of education	60,016	-	-	-	(60,016)
Administration	2,781,238	71,195	273,264	-	(2,436,779)
Fiscal	1,401,356	-	-	-	(1,401,356)
Business	535,497	-	6,964	100,000	(428,533)
Operations and maintenance	3,819,332	7,410	-	-	(3,811,922)
Pupil transportation	130,586	-	10	-	(130,576)
Central	405,110	-	155,050	-	(250,060)
Operation of non-instructional services:					
Other non-instructional services	10,938	-	-	-	(10,938)
Extracurricular activities	268,191	76,308	515	-	(191,368)
Interest and fiscal charges	4,946,687	-	-	-	(4,946,687)
Totals	$ 49,234,811	$ 1,967,495	$ 11,858,216	$ 100,000	(35,309,100)

General revenues:	
Property taxes levied for:	
General purposes	13,755,952
Debt service	7,384,689
Classroom facilities maintenance	2,189,577
Grants and entitlements not restricted to specific programs	14,084,097
Grants and entitlements for capital construction	359,166
Investment earnings	2,032,807
Miscellaneous	135,686
Total general revenues	39,941,974
Special item - loss on disposal of building and equipment	(6,238,655)
Total general revenues and special item	33,703,319
Change in net position	(1,605,781)
Net position at beginning of year	50,440,079
Net position at end of year	$ 48,834,298

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General	Classroom Facilities Maintenance	Debt Service	Building
Assets:				
Equity in pooled cash				
and cash equivalents	$ 18,177,962	$ 13,514,442	$ 12,314,707	$ 9,707,575
Receivables:				
Property taxes	15,965,564	2,502,366	8,711,203	-
Accounts	187,296	-	-	-
Accrued interest	42,900	54,549	15,030	3,859
Intergovernmental	-	-	-	-
Prepayments	40,770	-	-	-
Due from other funds	220,413	-	-	-
Restricted assets:				
Equity in pooled cash				
and cash equivalents	-	-	-	1,417,114
Total assets	$ 34,634,905	$ 16,071,357	$ 21,040,940	$ 11,128,548
Liabilities:				
Accounts payable	$ 29,576	$ -	$ -	$ -
Contracts payable	-	-	-	2,393,029
Retainage payable	-	-	-	1,417,114
Accrued wages and benefits payable	3,139,935	-	-	-
Compensated absences payable	95,968	-	-	-
Intergovernmental payable	96,726	-	-	-
Pension and postemployment benefits payable	390,150	-	-	-
Due to other funds	-	-	-	-
Total liabilities	3,752,355	-	-	3,810,143
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	14,521,656	2,298,970	8,026,761	-
Delinquent property tax revenue not available	474,883	66,219	221,860	-
Intergovernmental revenue not available	-	-	-	-
Accrued interest not available	42,900	54,549	15,030	3,859
Miscellaneous revenue not available	35,923	-	-	-
Total deferred inflows of resources	15,075,362	2,419,738	8,263,651	3,859
Fund balances:				
Nonspendable:				
Prepaids	40,770	-	-	-
Restricted:				
Debt service	-	-	12,777,289	-
Capital improvements	-	-	-	7,314,546
Classroom facilities maintenance	-	13,651,619	-	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Extracurricular	-	-	-	-
Other purposes	-	-	-	-
Assigned:				
Student instruction	660,198	-	-	-
Student and staff support	752,183	-	-	-
Subsequent year's appropriations	4,622,921	-	-	-
Unassigned	9,731,116	-	-	-
Total fund balances	15,807,188	13,651,619	12,777,289	7,314,546
Total liabilities, deferred inflows and fund balances	$ 34,634,905	$ 16,071,357	$ 21,040,940	$ 11,128,548

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
$ 11,707,985	$ 197,172	$ 65,619,843
-	-	27,179,133
-	-	187,296
751	-	117,089
1,352,427	252,019	1,604,446
-	435	41,205
-	-	220,413
607,335	-	2,024,449
$ 13,668,498	$ 449,626	$ 96,993,874
$ -	$ 34,680	$ 64,256
1,194,579	-	3,587,608
607,335	-	2,024,449
-	-	3,139,935
-	-	95,968
-	-	96,726
-	-	390,150
-	220,413	220,413
1,801,914	255,093	9,619,505
-	-	24,847,387
-	-	762,962
285,830	-	285,830
751	-	117,089
-	-	35,923
286,581	-	26,049,191
-	435	41,205
-	-	12,777,289
11,580,003	-	18,894,549
-	-	13,651,619
-	65,774	65,774
-	72,633	72,633
-	36,295	36,295
-	19,396	19,396
-	-	660,198
-	-	752,183
-	-	4,622,921
-	-	9,731,116
11,580,003	194,533	61,325,178
$ 13,668,498	$ 449,626	$ 96,993,874

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023

Total governmental fund balances		$ 61,325,178
Amounts reported for governmental activities on the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		151,117,745
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	$ 762,962	
Accounts receivable	35,923	
Accrued interest receivable	117,089	
Intergovernmental receivable	285,830	
Total		1,201,804
Unamortized premiums (discounts) on bonds issued are not recognized in the funds.		(8,030,162)
Unamortized amounts on refundings are not recognized in the funds.		379,884
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(408,694)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows - pension	9,391,567	
Deferred inflows - pension	(4,128,437)	
Net pension liability	(38,773,894)	
Deferred outflows - OPEB	574,827	
Deferred inflows - OPEB	(4,854,912)	
Net OPEB asset	3,937,545	
Net OPEB liability	(1,243,696)	
Total		(35,097,000)
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	(120,112,931)	
Leases payable	(205,376)	
Compensated absences	(1,336,150)	
Total		(121,654,457)
Net position of governmental activities		$ 48,834,298

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General	Classroom Facilities Maintenance	Debt Service	Building
Revenues:				
Property taxes	$ 13,977,412	$ 2,221,564	$ 7,495,676	$ -
Intergovernmental	20,527,204	63,853	220,657	-
Investment earnings	238,017	241,828	442,061	579,049
Tuition and fees	1,973,623	-	-	-
Extracurricular	2,361	-	-	-
Rental income	6,080	-	-	-
Charges for services	282,302	-	-	-
Contributions and donations	73,492	-	-	-
Miscellaneous	67,788	-	-	-
Total revenues	37,148,279	2,527,245	8,158,394	579,049
Expenditures:				
Current:				
Instruction:				
Regular	694,004	-	-	-
Special	934,781	-	-	-
Vocational	20,112,939	-	-	-
Adult/continuing	958,706	-	-	-
Other	-	-	-	-
Support services:				
Pupil	2,063,260	-	-	-
Instructional staff	4,944,316	-	-	-
Board of education	60,233	-	-	-
Administration	2,475,278	-	-	-
Fiscal	1,154,122	48,518	144,989	12,743
Business	414,848	-	-	-
Operations and maintenance	4,020,850	-	-	-
Pupil transportation	131,143	-	-	-
Central	251,297	-	-	-
Operation of non-instructional services:				
Other non-instructional services	10,938	-	-	-
Extracurricular activities	-	-	-	-
Facilities acquisition and construction	-	-	-	21,774,945
Capital outlay	246,009	-	-	-
Debt service:				
Principal retirement	65,504	-	2,999,245	-
Interest and fiscal charges	6,528	-	5,182,000	-
Accretion on capital appreciation bonds	-	-	215,755	-
Total expenditures	38,544,756	48,518	8,541,989	21,787,688
Excess (deficiency) of revenues over (under) expenditures	(1,396,477)	2,478,727	(383,595)	(21,208,639)
Other financing sources (uses):				
Insurance recoveries	-	-	-	250,000
Transfers in	-	-	499,400	-
Transfers (out)	(744,284)	-	-	-
Lease transaction	240,721	-	-	-
Total other financing sources (uses)	(503,563)	-	499,400	250,000
Net change in fund balances	(1,900,040)	2,478,727	115,805	(20,958,639)
Fund balances at beginning of year	17,707,228	11,172,892	12,661,484	28,273,185
Fund balances at end of year	$ 15,807,188	$ 13,651,619	$ 12,777,289	$ 7,314,546

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 23,694,652
5,978,735	5,222,886	32,013,335
446,916	-	1,947,871
-	-	1,973,623
-	59,844	62,205
-	-	6,080
-	15,229	297,531
-	4,008	77,500
-	435	68,223
6,425,651	5,302,402	60,141,020
-	-	694,004
-	-	934,781
-	1,283,695	21,396,634
-	2,553,861	3,512,567
-	2,343	2,343
-	75,043	2,138,303
-	778,086	5,722,402
-	-	60,233
-	271,323	2,746,601
4,259	-	1,364,631
-	63,026	477,874
-	-	4,020,850
-	-	131,143
-	155,051	406,348
-	-	10,938
-	268,191	268,191
6,666,417	-	28,441,362
-	4,193	250,202
-	-	3,064,749
-	-	5,188,528
-	-	215,755
6,670,676	5,454,812	81,048,439
(245,025)	(152,410)	(20,907,419)
-	-	250,000
-	244,884	744,284
-	-	(744,284)
-	2,065	242,786
-	246,949	492,786
(245,025)	94,539	(20,414,633)
11,825,028	99,994	81,739,811
$ 11,580,003	$ 194,533	$ 61,325,178

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

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		$ (20,414,633)
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.		
Capital asset additions	$ 29,169,213	
Current year depreciation	(1,044,668)	
Total		28,124,545
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		(6,238,655)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(364,434)	
Tuition	(371,944)	
Earnings on investments	84,936	
Intergovernmental	(5,621,893)	
Total		(6,273,335)
Repayment of bond and leases payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
Principal payments		3,064,749
Accreted interest on capital appreciation bonds		215,755
Issuance of leases are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		(242,786)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Change in accrued interest payable	4,586	
Accreted interest on capital appreciation bonds	(71,740)	
Amortization of bond premiums	370,706	
Amortization of bond discounts	(23,722)	
Amortization of deferred charges	(37,989)	
Total		241,841
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension		3,379,129
OPEB		37,739
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension		(4,029,571)
OPEB		823,775
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(294,334)
Change in net position of governmental activities		$ (1,605,781)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

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

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property taxes	$ 15,178,043	$ 15,175,081	$ 15,476,858	$ 301,777
Intergovernmental	20,070,815	20,066,899	20,465,956	399,057
Investment earnings	328,922	328,858	335,398	6,540
Tuition and fees	25,271	25,266	25,769	503
Extracurricular	2,315	2,315	2,361	46
Rental income	5,963	5,961	6,080	119
Charges for services	181,428	181,393	185,000	3,607
Contributions and donations	24,517	31,513	25,000	(6,513)
Miscellaneous	62,222	62,210	63,447	1,237
Total revenues	35,879,496	35,879,496	36,585,869	706,373
Expenditures:				
Current:				
Instruction:				
Regular	932,301	715,202	703,201	12,001
Special	1,013,854	989,029	988,326	703
Vocational	20,493,046	20,107,161	19,890,081	217,080
Support services:				
Pupil	2,110,992	2,224,342	2,108,785	115,557
Instructional staff	3,965,346	4,007,024	3,951,353	55,671
Board of education	82,807	85,377	61,825	23,552
Administration	2,632,092	2,709,168	2,476,018	233,150
Fiscal	1,232,479	1,179,096	1,100,619	78,477
Business	601,266	611,763	525,775	85,988
Operations and maintenance	4,001,396	4,771,626	4,516,421	255,205
Pupil transportation	116,813	181,954	156,452	25,502
Central	245,085	271,935	255,811	16,124
Operation of non-instructional services				
Other non-instructional services	-	11,963	10,938	1,025
Total expenditures	37,427,477	37,865,640	36,745,605	1,120,035
Excess of expenditures over revenues	(1,547,981)	(1,986,144)	(159,736)	1,826,408
Other financing sources (uses):				
Refund of prior year's expenditures	-	-	59,072	59,072
Transfers (out)	(363,556)	(434,656)	(434,656)	-
Advances in	-	-	2,006	2,006
Total other financing sources (uses)	(363,556)	(434,656)	(373,578)	61,078
Net change in fund balance	(1,911,537)	(2,420,800)	(533,314)	1,887,486
Fund balance at beginning of year	14,810,866	14,810,866	14,810,866	-
Prior year encumbrances appropriated	1,272,785	1,272,785	1,272,785	-
Fund balance at end of year	$ 14,172,114	$ 13,662,851	$ 15,550,337	$ 1,887,486

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CLASSROOM FACILITIES MAINTENANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Property taxes	$ 2,128,436	$ 2,128,436	$ 2,403,361	$ 274,925
Intergovernmental	275,348	275,348	310,914	35,566
Investment earnings	56,549	56,549	63,853	7,304
Total revenue	2,460,333	2,460,333	2,778,128	317,795
Expenditures:				
Current:				
Support services:				
Fiscal	45,000	50,000	48,518	1,482
Total expenditures	45,000	50,000	48,518	1,482
Net change in fund balance	2,415,333	2,410,333	2,729,610	319,277
Fund balance at beginning of year	10,877,850	10,877,850	10,877,850	-
Fund balance at end of year	$ 13,293,183	$ 13,288,183	$ 13,607,460	$ 319,277

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE CENTER

Miami Valley Career Technology Center (the "Center") is a joint vocational school as defined by Section 3311.18 of the Ohio Revised Code and 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. A vocational school exposes high school and adult students to academic preparation and job training which lead to employment and/or further education upon graduation from high school. Miami Valley Career Technology Center includes twenty-seven member school districts throughout Montgomery, Butler, Champaign, Darke, Miami, Preble, Shelby and Warren counties. The first official body designated as the Miami Valley Career Technology Center Board of Education was formed in November 1967, under the former name of the Montgomery County Joint Vocational School.

The Center operates under a board comprised of seventeen individuals. These individuals are appointed by the board of the member school districts, except in counties with few member school districts. These counties have the County Educational Service Center appoint the individual to the Board, instead of all member school districts in the county appointing the individual.

The Center is a jointly governed organization, legally separate from other organizations. The Board of Education of the Miami Valley Career Technology Center is not directly elected, although no other school district appoints a voting majority of the Board. None of the school districts that appoint Board members are financially accountable for the Miami Valley Career Technology Center.

The reporting entity is comprised of the jointly governed organization, component units and other organizations that are included to ensure that the financial statements of the Center are not misleading. The jointly governed organization consists of all funds, departments, boards and agencies that are not legally separate from the Center. For Miami Valley Career Technology Center, this includes general operations and student related activities of the Center.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

In accordance with Governmental Accounting Standards Board [GASB] Statement 14, 39, and 61, the financial reporting entity consists of a primary government. The Center is a primary government because it is a special-purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state and local governments.

There are no component units combined with the Center for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the Center's financial statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The Center's major operations include education, pupil transportation, and maintenance of Center facilities.

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

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

The Center is associated with three jointly governed organizations, one related organization, and one public entity risk pool. These organizations are:

JOINTLY GOVERNED ORGANIZATIONS

Southwest Ohio Computer Association

Southwest Ohio Computer Association (SWOCA) is a computer consortium. SWOCA is an association of public school districts within the boundaries of Butler, Darke, Montgomery, Preble and Warren Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SWOCA consists of one representative from each district plus one representative from the fiscal agent. The board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to its representation of the Board. During fiscal year 2023, the Center paid SWOCA $46,315. Financial information can be obtained from the Executive Director, at 3611 Hamilton-Middletown Road, Hamilton, Ohio 45011.

Southwestern Ohio Educational Purchasing Council

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of about 132 school districts in 18 counties. The purpose of the council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member district by the Fiscal Agent. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the General Fund. During fiscal year 2023, the fee was waived for all EPC districts. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377-1171.

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

Ohio Association of Career Tech Superintendents

The Ohio Association of Career Tech Superintendents (OACTS) is a not-for-profit organization. The purpose of the OACTS is to encourage and foster the ideal of vocational education as a worthy and integral part of the total educational system. The governing body of the organization is the Executive Committee. The Executive Committee consists of the Board of Directors and officers. The Board of Directors consists of five members selected by the membership of OACTS. Members of the Board of Directors serve staggered three year terms. The Board of Directors is responsible for electing officers of the organization. Officers include a President, a Vice-President, a Secretary and a Treasurer. All member Centers are required to pay membership fees. Payments to OACTS are made from the General Fund. There were no payments made to OACTS during fiscal year 2023. To obtain financial information, write to the Ohio Association of Career Tech Superintendents, 6628 Wild Rose Lane, Westerville, OH 43082.

RELATED ORGANIZATION

Miami Valley Career Technology Center Education Foundation

The Miami Valley Career Technology Center Education Foundation is a legally separate body politic. The board members of the Miami Valley Career Technology Center Education Foundation are appointed by the Center. The Center is not able to impose its will on the Miami Valley Career Technology Center Education Foundation and no financial benefit and/or burden relationship exists. The Miami Valley Career Technology Education Foundation is responsible for approving its own budgets, appointing personnel and accounting and finance related activities. To obtain financial information write to the Miami Valley Career Technology Center Education Foundation, the Treasurer, at 6800 Hoke Road, Englewood, Ohio 45315-9740.

PUBLIC ENTITY RISK POOL

Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan

The Center participates in the Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by an eleven member Executive Committee consisting of the Chairperson, the Vice-Chairperson, a representative from the Montgomery County Educational Service Center and eight other members elected by majority vote of all member school districts. The Chief Administrator of GRP serves as the coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

B. Fund Accounting

The Center uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Center functions or activities. A fund is defined as a fiscal and accounting entity with a self- balancing set of accounts. All funds of the Center are governmental in nature.

GOVERNMENTAL FUNDS

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows, and liabilities and deferred inflows is reported as fund balance.

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

The following are the Center's major governmental funds:

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

Classroom Facilities Maintenance Fund - The classroom facilities maintenance fund is used to account for receipts and expenditures related to the maintenance of facilities.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Building Fund - The building fund is used to account for the receipts and expenditures related to all special bond funds in the Center. All proceeds from the sale of bonds, notes, or certificates or indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

Classroom Facilities Fund - The classroom facilities fund accounts for monies received and expended in connection with contracts entered into by the Center and the Ohio School Facilities Commission for the building and equipping of classroom facilities.

Other governmental funds of the Center are used to account for specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

C. Basis of Presentation and Measurement Focus

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

The government-wide statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the Center are included on the statement of net position.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Center'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 contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Center, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Center.

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

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

D. Basis of Accounting

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

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

Non-exchange transactions, in which the Center 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 year when use is first permitted, matching requirements, in which the Center must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Center on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes available for advance, grants and interest.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 12 and 13 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. 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.

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 12 and 13 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, debt service expenditures, as well as any expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Board. The legal level of control has been established by Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Career Technology Center Treasurer. The amounts reported as the original budgeted amounts on the budgetary schedules reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary schedules reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2023.

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

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

F. Cash and Investments

Cash received by the Center is pooled for investment purposes. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents” on the financial statements.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

The Center invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, “Certain External Investment Pools and Pool Participants.” The Center measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

There were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours notice in advance of all deposits and withdrawals exceeding $100 million is encouraged. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. There was $238,017 of interest revenue credited to the general fund, including $14,012 allocated from other funds.

G. Capital Assets

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Center maintained a capitalization threshold of seven thousand five hundred dollars ($7,500) for non-federal capital assets and five thousand dollars ($5,000) for capital assets purchased with federal funds. The Center does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

All reported capital assets are depreciated/amortized, except land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. The Center is reporting intangible right to use assets related to leased buildings and equipment. The intangible assets are being amortized in a systemic and rational manner of the shorter of the lease term or the useful life of the underlying asset. Depreciation/amortization is allocated using the straight-line method over the following useful lives:

Description	Estimated Lives
Land Improvements	15 years
Buildings	40 years
Buildings and Improvements	15 years
Machinery and Equipment	10 years
Vehicles – Auto	10 years
Vehicles – Heavy Duty	15 years
Intangible Leased Assets	2 - 5 years

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

H. Interfund Balances

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “due to/due from other funds”. These amounts are eliminated in the governmental activities column on the Statement of Net Position.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government- wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

I. Compensated Absences

The Center reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the Center will compensate the employees for the benefits through paid time off or some other means. The Center records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

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

For governmental fund financial statements, the expenditures for unpaid compensated absences are recognized when due. The related liability is recorded in the account "compensated absences" in the fund from which the employees who have accumulated unpaid leave are paid. Compensated absences are reported in governmental funds only if they have matured. The Center's policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

Vacation	Certified	Administrators	Non-Certificated
How Earned	Not Eligible	20 days per year or 2.08-2.50 per month	10-20 days for each service year depending on length of service
Maximum Accumulation	Not Applicable	Up to 2 years	Up to 2 years
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
Sick Leave			
How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	295 days	295 days	295 days
Vested	As Earned	As Earned	As Earned
Termination Entitlement	1/4 paid upon retirement (up to 295 days) 15% beyond 295 days	30% paid upon retirement (up to 295 days) 20% beyond 295 days, But limited to 110 days	1/4 paid upon retirement (up to 295 days) 15% beyond 295 days

J. Accrued Liabilities and Long-Term Obligations

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

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

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

K. Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* the Center classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (prepaids) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – resources that can be used only for the specific purposes imposed by a formal action (board resolution) of the Center's Board of Education. The Board of Education is the highest level of decision making authority for the Center. Those committed resources cannot be used for any other purpose unless the Center's Board of Education removes or changes the specified use by taking the same type of action (board resolution) it employed to previously commit those resources.

Assigned – resources that are intended to be used for specific purposes as approved through the Center's formal purchasing procedure by the Treasurer. In the general fund, assigned amounts represent intended uses established by policies of the Center's Board of Education. The adoption of the board appropriation resolution is the established policy, which gives the authorization to assign resources for a specific purpose.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The Center 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.

L. 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 its use either through the enabling legislation adopted by the Center or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Center applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

M. Estimates

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

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

N. Pensions/Other Postemployment Benefits (OPEB)

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

O. Prepaid Items

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

P. 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. During fiscal year 2023, the Center had a special item of loss on disposal of capital assets for ($6,238,655). This was due to the demolition of buildings and the disposal of the associated equipment that was related to the Center's ongoing building project.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2023, the Center has implemented GASB Statement No. 91, "*Conduit Debt Obligations*", GASB Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*", GASB Statement No. 96, "*Subscription Based Information Technology Arrangements*", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*".

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the Center.

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the Center.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE – (Continued)

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the Center.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the Center.

GASB Statement No. 99 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the Center.

NOTE 4 - DEPOSITS AND INVESTMENTS

The Center maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the Center into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the Center. Such monies must by law be maintained either as cash in the Center treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current five year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – Those monies held by the Center can be deposited or invested in the following securities:

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

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

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

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

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

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

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

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

A. Deposits and cash on hand

Custodial credit risk for deposits is the risk that in the event of bank failure, the Center will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2023, $2,527,801 of the Center's bank balance of $2,790,209 was exposed to custodial credit risk because it was uninsured and collateralized. At June 30, 2023, the carrying amount of all Center deposits was $2,712,083. The Center also had $1,000 in cash on hand at fiscal year-end.

The Center has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the Center and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2023 the Center had the following investments:

		Investment Maturities				
Measurement/investment type	Measurement Value	6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair value:						
Commercial paper	$ 14,918,976	$ 14,631,693	$ 287,283	$ -	$ -	$ -
FFCB	4,781,320	3,477,225	609,026	327,441	367,628	-
FHLB	4,350,151	643,492	1,657,243	1,174,539	-	874,877
FHLMC	677,111	372,634	-	-	-	304,477
FNMA	186,740	-	-	186,740	-	-
Municipal bonds	1,020,767	390,760	-	372,800	-	257,207
Negotiable CDs	11,256,851	496,292	2,807,258	2,377,849	4,178,188	1,397,264
U.S. Treasury notes	12,403,390	5,545,992	5,590,791	443,980	239,893	582,734
U.S. Government money market	7,607,865	7,607,865	-	-	-	-
Amortized cost:						
STAR Ohio	7,728,038	7,728,038	-	-	-	-
Total	$ 64,931,209	$ 40,893,991	$ 10,951,601	$ 4,883,349	$ 4,785,709	$ 3,416,559

The Center 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. Level 3 inputs are significant unobservable inputs. The above table identifies the Center's recurring fair value measurements as of June 30, 2023. STAR Ohio is reported at its share price (Net Asset value per share). All other investments of the Center are valued at Level 2.

Interest Rate Risk: In accordance with the investment policy, the Center manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years.

Credit Risk: It is the Center's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. The Center's investments in federal agency securities (FFCB, FHLB, FHLMC, and FNMA), and U.S. Treasury notes were rated AAA or AA+ by Standard & Poor's and Aaa by Moody's Investors Service. Commercial paper was rated A-1+ by Standard & Poor's ratings and P-1 by Moody's Investors Service. Municipal bonds were rated AA or AA+ by Standard & Poor's and Aa1 and Aa2 by Moody's Investors Service. Investments in STAR Ohio were rated AAAm by Standard & Poor's while Money Market Funds and negotiable CDs are not rated.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Center will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and led by the counterparty's trust department or agent, but not in the Center's name. The Center has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The Center places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Center at June 30, 2023:

Measurement/investment type	Measurement Value	% of total
Fair value:		
Commercial paper	$ 14,918,976	22.98%
FFCB	4,781,320	7.36%
FHLB	4,350,151	6.70%
FHLMC	677,111	1.04%
FNMA	186,740	0.29%
Muncipal bonds	1,020,767	1.57%
Negotiable CDs	11,256,851	17.34%
U.S. Treasury notes	12,403,390	19.10%
U.S. Government money market	7,607,865	11.72%
Amortized cost:		
STAR Ohio	7,728,038	11.90%
Total	$ 64,931,209	100.00%

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2023:

Cash and investments per note disclosure	
Carrying amount of deposits	$ 2,712,083
Investments	64,931,209
Cash on hand	1,000
Total	$ 67,644,292

Cash and investments per statement of net position	
Governmental activities	$ 67,644,292

NOTE 5 - INTERFUND TRANSACTIONS

A. Do to/do from other funds consisted of the following at June 30, 2023, as reported on the fund statement:

Receivable Fund	Payable Fund	Amount
General fund	Nonmajor governmental funds	$ 220,413

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

Interfund balances between governmental funds are eliminated on the government-wide statement of net position.

B. Interfund transfers for the year ended June 30, 2023, consisted of the following, as reported on the fund financial statements:

	Amount
Transfer from general fund to:	
Debt service fund	$ 499,400
Nonmajor governmental funds	244,884
Total	$ 744,284

Transfers are used to (1) 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 (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported in the statement of activities.

All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the Center. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on real property at 35 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. The Center receives property taxes from the County. The County Auditor periodically advances to the Center its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2023. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2023 on the fund statements. The entire amount of delinquent taxes receivable is recognized as revenue on the government-wide financial statements. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is, therefore, offset by a credit to deferred inflows of resources – property taxes for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2023, was $969,025 for the general fund, $137,177 for the classroom facilities maintenance fund, and $462,582 for the debt service fund and is recognized as revenue.

NOTE 6 - PROPERTY TAXES - (Continued)

The assessed value, by property classification, upon which taxes collected in 2023 were based as follows:

	2022 Second Half Collections Amount	2022 Second Half Collections Percent	2023 First Half Collections Amount	2023 First Half Collections Percent
Agricultural/residential and other real estate	$ 7,586,673,240	95.71	$ 7,895,090,050	95.66
Public utility personal	339,747,410	4.29	358,338,280	4.34
Total	$ 7,926,420,650	100.00	$ 8,253,428,330	100.00
Tax rate per $1,000 of assessed valuation	$ 4.01		$ 4.01	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2023, consisted of property taxes, accounts, accrued interest and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and current year guarantee of federal funds.

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MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 8 - CAPITAL ASSETS

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

	Balance 06/30/22	Additions	Deductions	Balance 06/30/23
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	$ 557,080	$ -	$ -	$ 557,080
Construction in progress	114,486,365	28,441,362	-	142,927,727
Total capital assets, not being depreciated/amortiz	115,043,445	28,441,362	-	143,484,807
Capital assets, being depreciated/amortized:				
Buildings and improvements	27,764,068	477,649	(19,401,596)	8,840,121
Equipment	9,471,270	-	(2,356,177)	7,115,093
Intangible right to use:				
Leased buildings	-	83,556	-	83,556
Leased equipment	46,579	166,646	-	213,225
Total capital assets, being depreciated/amortized	37,281,917	727,851	(21,757,773)	16,251,995
Less: accumulated depreciation/amortization:				
Buildings and improvements	(16,562,403)	(527,360)	13,173,522	(3,916,241)
Furniture and equipment	(6,511,998)	(442,431)	2,345,596	(4,608,833)
Intangible right to use:				
Leased buildings	-	(22,332)	-	(22,332)
Leased equipment	(19,106)	(52,545)	-	(71,651)
Total accumulated depreciation/amortization	(23,093,507)	(1,044,668)	15,519,118	(8,619,057)
Governmental activities capital assets, net	$ 129,231,855	$ 28,124,545	$ (6,238,655)	$ 151,117,745

Depreciation/amortization expense was charged to governmental functions as follows:

Instruction:	
Regular	$ 600,104
Vocational	162,762
Adult/continuing	24,660
Support services:	
Instructional staff	17,429
Administration	7,112
Business	45,433
Operations and maintenance	187,168
Total depreciation/amortization expense	$ 1,044,668

NOTE 9 - LONG-TERM OBLIGATIONS

The changes in the Center's long-term obligations during fiscal year 2023 were as follows:

	Balance Outstanding 06/30/22	Additions	Reductions	Balance Outstanding 06/30/23	Amounts Due in One Year
Governmental activities:					
General obligation bonds					
2015 Refunding of 2008 Bonds	$ 3,670,000	$ -	$ -	$ 3,670,000	$ -
2015 Refunding of 2008 Bonds - CABS - Principal	275,340	-	(144,245)	131,095	131,095
2015 Refunding of 2008 Bonds - CABS - Interest	370,851	71,740	(215,755)	226,836	226,836
Premium on Refunding of 2008 Bonds, Series 2015	472,600	-	(42,963)	429,637	-
2018 School Improvement Bonds	118,940,000	-	(2,855,000)	116,085,000	2,985,000
2018 School Improvement Bonds - Discount	(616,762)	-	23,722	(593,040)	-
2018 School Improvement Bonds - Premium	8,521,308	-	(327,743)	8,193,565	-
Total general obligation bonds	131,633,337	71,740	(3,561,984)	128,143,093	3,342,931
Other long-term obligations:					
Leases payable	28,094	242,786	(65,504)	205,376	69,210
Compensated absenses	1,155,442	778,733	(502,057)	1,432,118	484,400
Net pension liability	23,308,378	15,465,516	-	38,773,894	-
Net OPEB liability	1,720,181	-	(476,485)	1,243,696	-
Total other long-term obligations	26,212,095	16,487,035	(1,044,046)	41,655,084	553,610
Total long-term obligations	$ 157,845,432	$ 16,558,775	$ (4,606,030)	$ 169,798,177	$ 3,896,541

In 2018 the Center issued $130,055,000 in bonds (school improvement) for building renovations. The rate of the bonds range from 2.0%-5.0% and the bonds will mature on 12/01/2047. At June 30, 2023, there were $5,750,799 in unspent proceeds.

In 2008 the Center issued $6,900,000 in bonds (school improvement) for the construction of a new building. The rate of the bonds range from 3.0%-5.5% and the bonds will mature on 12/01/2032.

On June 24, 2015 the Center issued $4,695,000 in Current Interest Bonds with an interest rate between 2.00% and 4.00% and $442,994 in Capital Appreciation Bonds all of which was used to partially advance refund $5,140,000 of the outstanding 2008 General Obligation Bonds with an interest rate between 4.00% and 4.25%. The net proceeds of $5,911,335 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the one bond issue. As a result, $5,140,000 of the 2008 General Obligation Bonds are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

Leases Payable - The Center has entered into lease agreements for the use of right to use equipment. Due to the implementation of GASB Statement No. 87, the Center will report an intangible capital asset and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid from the general fund.

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The Center has entered into lease agreements for equipment at varying years and terms as follows:

Company	Lease Commencement Date	Years	Lease End Date	Payment Method
Pitney Bowes	2019	4	2023	Monthly
Pitney Bowes	2019	4	2023	Monthly
Pitney Bowes	2019	4	2023	Monthly
Pitney Bowes	2022	5	2027	Monthly
St. Vincent DePaul	2023	2	2025	Monthly
St. Vincent DePaul	2023	1	2024	Annual
St. Vincent DePaul	2023	2	2025	Monthly
St. Vincent DePaul	2023	2	2025	Monthly

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Principal	Interest	Total
2024	$ 69,210	$ 5,242	$ 74,452
2025	60,209	3,262	63,471
2026	40,688	1,649	42,337
2027	35,269	576	35,845
Total	$ 205,376	$ 10,729	$ 216,105

There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and net OPEB contributions are made from the fund benefitting from their service.

Compensated absences will be paid from the fund from which the person is paid. The School Improvement and Refunding Bonds will be paid from the Debt Service fund.

Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30	General Obligation Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2024	$ 2,985,000	$ 5,090,182	$ 8,075,182	$ 131,095	$ 238,905	$ 370,000
2025	3,535,000	4,972,107	8,507,107	-	-	-
2026	3,855,000	4,821,107	8,676,107	-	-	-
2027	4,110,000	4,664,907	8,774,907	-	-	-
2028	4,305,000	4,706,082	9,011,082	-	-	-
2029-2033	17,365,000	19,734,785	37,099,785	-	-	-
2034-2038	21,020,000	15,771,245	36,791,245	-	-	-
2039-2043	27,500,000	10,867,330	38,367,330	-	-	-
2044-2048	35,080,000	3,567,314	38,647,314	-	-	-
Total	$ 119,755,000	$ 74,195,059	$ 193,950,059	$ 131,095	$ 238,905	$ 370,000

NOTE 10 - EMPLOYEE BENEFITS

A. Insurance Benefits

The Center provides life insurance and accidental death and dismemberment insurance to full-time employees through Hartford Group Insurance. Medical/surgical benefits are provided through United Health Care. Dental insurance is provided through Delta Dental.

B. Social Security System

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

NOTE 11 - RISK MANAGEMENT

Property and Liability

The Center is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the current fiscal year, the Center contracted with Phelan Insurance for general, property, and vehicle liability insurance. Coverages provided are as follows:

Type of Coverage	Deductible	Liability Limit
Building and Contents - replacement cost	$500	$181,000,000
Crime Insurance	500	250,000
Automobile Liability	1,000	1,000,000
Uninsured Motorists	1,000	1,000,000
General Liability:		
Per Occurrence		1,000,000
Aggregate		2,000,000

Settled claims have not exceeded this commercial coverage in any of the past five years. There have been no significant reductions in insurance coverage from last year.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability/Asset

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

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

Plan Description - School Employees Retirement System (SERS)

Plan Description - The Center's non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, 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 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; or 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.

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost-of-living adjustment (COLA) on the first anniversary date of the benefit. 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. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0%. In 2022, the Board of Trustees approved a 2.5% cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2023.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the Center is required to contribute 14.00% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10.00% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The Center's contractually required contribution to SERS was $482,966 for fiscal year 2023. Of this amount, $31,726 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

The Center's contractually required contribution to STRS was $2,896,163 for fiscal year 2023. Of this amount, $285,538 is reported as pension and postemployment benefits payable.

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	SERS	STRS	Total
Proportion of the net pension liability prior measurement date	0.093131000%	0.155422111%	
Proportion of the net pension liability current measurement date	0.091869000%	0.152067980%	
Change in proportionate share	-0.001262000%	-0.003354131%	
Proportionate share of the net pension liability	$ 4,968,990	$ 33,804,904	$ 38,773,894
Pension expense	$ 269,993	$ 3,759,578	$ 4,029,571

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 201,249	$ 432,745	$ 633,994
Net difference between projected and actual earnings on pension plan investments	-	1,176,336	1,176,336
Changes of assumptions	49,030	4,045,431	4,094,461
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	26,864	80,783	107,647
Contributions subsequent to the measurement date	482,966	2,896,163	3,379,129
Total deferred outflows of resources	$ 760,109	$ 8,631,458	$ 9,391,567

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 32,621	$ 129,315	$ 161,936
Net difference between projected and actual earnings on pension plan investments	173,395	-	173,395
Changes of assumptions	-	3,045,047	3,045,047
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	51,166	696,893	748,059
Total deferred inflows of resources	$ 257,182	$ 3,871,255	$ 4,128,437

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

$3,379,129 reported as deferred outflows of resources related to pension resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	$ (27,207)	$ (1,079,014)	$ (1,106,221)
2025	(4,649)	(1,359,123)	(1,363,772)
2026	(16,740)	(2,171,235)	(2,187,975)
2027	68,557	6,473,412	6,541,969
Total	$ 19,961	$ 1,864,040	$ 1,884,001

Actuarial Assumptions - SERS

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

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

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.

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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:	
Current measurement date	2.40%
Prior measurement date	2.40%
Future salary increases, including inflation:	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.25% to 13.58%
COLA or ad hoc COLA:	
Current measurement date	2.00%
Prior measurement date	2.00%
Investment rate of return:	
Current measurement date	7.00% net of system expenses
Prior measurement date	7.00% net of system expenses
Discount rate:	
Current measurement date	7.00%
Prior measurement date	7.00%
Actuarial cost method	Entry age normal (level percent of payroll)

In 2022, 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 disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

Discount Rate - The total pension liability was calculated using the discount rate of 7.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00%). 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 Center'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%, 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%), or one percentage point higher (8.00%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Center's proportionate share of the net pension liability	$ 7,314,116	$ 4,968,990	$ 2,993,253

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022, actuarial valuation are presented below:

	June 30, 2022	June 30, 2021
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.00%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%

For the June 30, 2022 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

Sensitivity of the Center's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the net pension liability as of June 30, 2022, calculated using the current period discount rate assumption of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption:

	1% Decrease	Current Discount Rate	1% Increase
Center's proportionate share of the net pension liability	$ 51,066,903	$ 33,804,904	$ 19,206,597

Changes Between Measurement Date and Reporting Date - STRS approved a one-time 1.00% cost-of-living adjustment to eligible benefit recipients effective July 1, 2023. It is unknown what effect this change will have on the net pension liability.

NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 12 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The Center 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. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2023, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2023, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the Center's surcharge obligation was $37,739.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The Center's contractually required contribution to SERS was $37,739 for fiscal year 2023. Of this amount, $37,739 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability/asset was measured as of June 30, 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 Center's proportion of the net OPEB liability/asset was based on the Center's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	SERS	STRS	Total
Proportion of the net OPEB liability/asset prior measurement date	0.090890700%	0.155422111%	
Proportion of the net OPEB liability/asset current measurement date	0.088581700%	0.152067980%	
Change in proportionate share	-0.002309000%	-0.003354131%	
Proportionate share of the net OPEB liability	$ 1,243,696	$ -	$ 1,243,696
Proportionate share of the net OPEB asset	$ -	$ (3,937,545)	$ (3,937,545)
OPEB expense	$ (122,222)	$ (701,553)	$ (823,775)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 10,455	$ 57,082	$ 67,537
Net difference between projected and actual earnings on OPEB plan investments	6,468	68,544	75,012
Changes of assumptions	197,823	167,727	365,550
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	9,015	19,974	28,989
Contributions subsequent to the measurement date	37,739	-	37,739
Total deferred outflows of resources	$ 261,500	$ 313,327	$ 574,827

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 795,560	$ 591,347	$ 1,386,907
Changes of assumptions	510,547	2,792,106	3,302,653
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	157,322	8,030	165,352
Total deferred inflows of resources	$ 1,463,429	$ 3,391,483	$ 4,854,912

$37,739 reported as deferred outflows of resources related to OPEB resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	$ (287,395)	$ (895,093)	$ (1,182,488)
2025	(279,507)	(892,545)	(1,172,052)
2026	(238,147)	(420,026)	(658,173)
2027	(153,065)	(175,439)	(328,504)
2028	(106,597)	(229,732)	(336,329)
Thereafter	(174,957)	(465,321)	(640,278)
Total	$ (1,239,668)	$ (3,078,156)	$ (4,317,824)

Actuarial Assumptions - SERS

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

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

Wage inflation:	
Current measurement date	2.40%
Prior measurement date	2.40%
Future salary increases, including inflation:	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.25% to 13.58%
Investment rate of return:	
Current measurement date	7.00% net of investment expense, including inflation
Prior measurement date	7.00% net of investment expense, including inflation
Municipal bond index rate:	
Current measurement date	3.69%
Prior measurement date	1.92%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Current measurement date	4.08%
Prior measurement date	2.27%
Medical trend assumption:	
Current measurement date	7.00 to 4.40%
Prior measurement date	
Medicare	5.125 to 4.400%
Pre-Medicare	6.750 to 4.400%

In 2022, 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 disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

The long-term expected rate of return on plan assets is reviewed as part of the actuarial 5-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, 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 are summarized as follows:

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

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2022, was 4.08%. The discount rate used to measure 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, 2022 and the June 30, 2021 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.69% at June 30, 2022 and 1.92% at June 30, 2021.

Sensitivity of the Center's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability, what the 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 the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate (7.00% decreasing to 4.40%).

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	1% Decrease	Current Discount Rate	1% Increase
Center's proportionate share of the net OPEB liability	$ 1,544,690	$ 1,243,696	$ 1,000,713

	1% Decrease	Current Trend Rate	1% Increase
Center's proportionate share of the net OPEB liability	$ 959,113	$ 1,243,696	$ 1,615,408

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022 actuarial valuation, compared with June 30, 2021 actuarial valuation, are presented below:

	June 30, 2022		June 30, 2021	
Inflation	2.50%		2.50%	
Projected salary increases	Varies by service from 2.50% to 8.50%		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.00%, net of investment expenses, including inflation		7.00%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discount rate of return	7.00%		7.00%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	7.50%	3.94%	5.00%	4.00%
Medicare	-68.78%	3.94%	-16.18%	4.00%
Prescription Drug				
Pre-Medicare	9.00%	3.94%	6.50%	4.00%
Medicare	-5.47%	3.94%	29.98%	4.00%

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

For the June 30, 2022 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

Assumption Changes Since the Prior Measurement Date - The discount rate remained unchanged at 7.00% for the June 30, 2022 valuation.

Benefit Term Changes 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.

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

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

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

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

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	1% Decrease	Current Discount Rate	1% Increase
Center's proportionate share of the net OPEB asset	$ 3,646,240	$ 3,937,545	$ 4,192,285

	1% Decrease	Current Trend Rate	1% Increase
Center's proportionate share of the net OPEB asset	$ 4,084,193	$ 3,937,545	$ 3,752,440

NOTE 14 - CONTINGINCIES

Grants

The Center receives significant financial assistance from numerous federal, state and local 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 effect on any of the financial statements included herein or on the overall financial position of the Center as of June 30, 2023.

NOTE 15 - SET ASIDES

The Center is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year- end and carried forward to be used for the same purposes in future years.

The following cash basis information describes the change in the year-end set-aside amounts for capital acquisition. Disclosure of this information is required by State statute.

	Capital Improvements
Set-aside balance June 30, 2022	$ -
Current year set-aside requirement	435,986
Current year offsets	(2,467,214)
Total	$ (2,031,228)
Balance carried forward to fiscal year 2024	$ -
Set-aside balance June 30, 2023	$ -

NOTE 16 - COMMITMENTS

A. Other Commitments

The Center utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the Center's commitments for encumbrances in the governmental funds were as follows:

Fund Type	Amounts
General fund	$ 1,041,399
Building	9,908,171
Classroom Facilities	6,620,310
Other Governmental	119,168
Total	$ 17,689,048

B. Contractual Commitments

As of June 30, 2023, the Center had the following significant contractual commitments outstanding:

Vendor	Total Contract	Amount Paid	Remaining Commitment June 30, 2023
Innovative Office Solutions, Inc.	$ 110,401	$ (110,401)	$ -
Garmann/Miller	645,578	(321,531)	324,047
Educational Furniture LLC	367,828	(241,021)	126,807
Gilbane Building Company	25,502,810	(10,312,642)	15,190,168
Pocket Nurse Enterprise, Inc.	146,650	-	146,650
Total	$ 26,773,267	$ (10,985,595)	$ 15,787,672

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and the GAAP basis are that:

(a) Revenues and other financing sources are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budgetary basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

(d) Advances-in and advances-out are operating transactions (budgetary basis) as opposed to balance sheet transactions (GAAP basis); and,

(e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budgetary basis).

The adjustments necessary to convert the results of operations for the year on the budgetary basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance

	General fund	Classroom facilities maintenance fund
Budgetary basis	$ (533,314)	$ 2,729,610
Net adjustment for revenue accruals	(1,623,455)	(250,883)
Net adjustment for expenditure accruals	(145,681)	-
Net adjustment for other sources/uses	102,581	-
Funds budgeted elsewhere	(771,119)	-
Adjustments for encumbrances	1,070,948	-
GAAP basis	$ (1,900,040)	$ 2,478,727

NOTE 18 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

Other governments entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) and Enterprise Zone Agreement (“EZA”) programs with the taxing districts of the Center. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. The EZA program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in the community. Within the taxing districts of the Center, Municipalities in Montgomery County and Darke County have entered into CRA agreements and EZA agreements. Under these agreements the Center’s property taxes were reduced by $500,706.

NOTE 19 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During fiscal year 2023, the Center received COVID-19 funding. The Center will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

REQUIRED SUPPLEMENTARY INFORMATION

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	2023	**2022**	**2021**	**2020**
Center's proportion of the net pension liability	0.09186900%	0.09313100%	0.09117000%	0.09149050%
Center's proportionate share of the net pension liability	$ 4,968,990	$ 3,436,264	$ 6,030,176	$ 5,474,037
Center's covered payroll	$ 3,395,364	$ 3,195,179	$ 3,196,221	$ 3,138,644
Center's proportionate share of the net pension liability as a percentage of its covered payroll	146.35%	107.55%	188.67%	174.41%
Plan fiduciary net position as a percentage of the total pension liability	75.82%	82.86%	68.55%	70.85%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.09436750%	0.09701470%	0.09805290%	0.10015060%	0.08729000%	0.08729000%
$ 5,404,602	$ 5,796,414	$ 7,176,568	$ 5,714,690	$ 4,417,697	$ 5,192,411
$ 3,201,363	$ 3,083,743	$ 3,490,886	$ 3,672,041	$ 2,562,085	$ 2,816,337
168.82%	187.97%	205.58%	155.63%	172.43%	184.37%
71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2023	**2022**	**2021**	**2020**
Center's proportion of the net pension liability	0.15206798%	0.15542211%	0.15531263%	0.15532386%
Center's proportionate share of the net pension liability	$ 33,804,904	$ 19,872,114	$ 37,580,130	$ 34,348,938
Center's covered payroll	$ 19,674,607	$ 19,178,071	$ 21,332,900	$ 20,696,843
Center's proportionate share of the net pension liability as a percentage of its covered payroll	171.82%	103.62%	176.16%	165.96%
Plan fiduciary net position as a percentage of the total pension liability	78.88%	87.78%	75.48%	77.40%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.15320475%	0.15387985%	0.15241472%	0.15475599%	0.16124385%	0.16243850%
$ 33,686,184	$ 36,554,488	$ 51,017,801	$ 42,770,029	$ 39,220,085	$ 46,592,892
$ 21,203,107	$ 19,053,257	$ 17,873,221	$ 17,896,064	$ 17,741,946	$ 19,373,469
158.87%	191.85%	285.44%	238.99%	221.06%	240.50%
77.31%	75.30%	66.80%	72.10%	74.70%	69.30%

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CENTER'S PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 482,966	$ 475,351	$ 447,325	$ 447,471
Contributions in relation to the contractually required contribution	(482,966)	(475,351)	(447,325)	(447,471)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Center's covered payroll	$ 3,449,757	$ 3,395,364	$ 3,195,179	$ 3,196,221
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
$ 423,717	$ 432,184	$ 431,724	$ 488,724	$ 483,975	$ 355,105
(423,717)	(432,184)	(431,724)	(488,724)	(483,975)	(355,105)
$ -	$ -	$ -	$ -	$ -	$ -
$ 3,138,644	$ 3,201,363	$ 3,083,743	$ 3,490,886	$ 3,672,041	$ 2,562,085
13.50%	13.50%	14.00%	14.00%	13.18%	13.86%

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CENTER'S PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 2,896,163	$ 2,754,445	$ 2,684,930	$ 2,986,606
Contributions in relation to the contractually required contribution	(2,896,163)	(2,754,445)	(2,684,930)	(2,986,606)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Center's covered payroll	$ 20,686,879	$ 19,674,607	$ 19,178,071	$ 21,332,900
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
$ 2,897,558	$ 2,968,435	$ 2,667,456	$ 2,502,251	$ 2,505,449	$ 2,306,453
(2,897,558)	(2,968,435)	(2,667,456)	(2,502,251)	(2,505,449)	(2,306,453)
$ -	$ -	$ -	$ -	$ -	$ -
$ 20,696,843	$ 21,203,107	$ 19,053,257	$ 17,873,221	$ 17,896,064	$ 17,741,946
14.00%	14.00%	14.00%	14.00%	14.00%	13.00%

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN FISCAL YEARS

	2023	**2022**	**2021**	**2020**
Center's proportion of the net OPEB liability	0.08858170%	0.09089070%	0.08933680%	0.08980810%
Center's proportionate share of the net OPEB liability	$ 1,243,696	$ 1,720,181	$ 1,941,581	$ 2,258,485
Center's covered payroll	$ 3,395,364	$ 3,195,179	$ 3,196,221	$ 3,138,644
Center's proportionate share of the net OPEB liability as a percentage of its covered payroll	36.63%	53.84%	60.75%	71.96%
Plan fiduciary net position as a percentage of the total OPEB liability	30.34%	24.08%	18.17%	15.57%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017
0.09305710%	0.09519870%	0.09621591%
$ 2,581,655	$ 2,554,883	$ 2,742,509
$ 3,201,363	$ 3,083,743	$ 3,490,886
80.64%	82.85%	78.56%
13.57%	12.46%	11.49%

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN FISCAL YEARS

	2023	**2022**	**2021**	**2020**
Center's proportion of the net OPEB liability/asset	0.15206798%	0.15542211%	0.15531263%	0.15532386%
Center's proportionate share of the net OPEB liability/(asset)	$ (3,937,545)	$ (3,276,948)	$ (2,729,618)	$ (2,572,535)
Center's covered payroll	$ 19,674,607	$ 19,178,071	$ 21,332,900	$ 20,696,843
Center's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	20.01%	17.09%	12.80%	12.43%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	230.73%	174.73%	182.10%	174.70%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017
0.15320475%	0.15387985%	0.15241472%
$ (2,461,844)	$ 6,003,824	$ 8,151,179
$ 21,203,107	$ 19,053,257	$ 17,873,221
11.61%	31.51%	45.61%
176.00%	47.10%	37.30%

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CENTER'S OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST EIGHT FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 37,739	$ 30,549	$ 34,659	$ 32,465
Contributions in relation to the contractually required contribution	(37,739)	(30,549)	(34,659)	(32,465)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Center's covered payroll	$ 3,449,757	$ 3,395,364	$ 3,195,179	$ 3,196,221
Contributions as a percentage of covered payroll	1.09%	0.90%	1.08%	1.02%

Note: Information prior to 2016 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017		2016	
$	51,989	$	54,384	$	35,170	$	35,170
	(51,989)		(54,384)		(35,170)		(35,170)
$	-	$	-	$	-	$	-
$	3,138,644	$	3,201,363	$	3,083,743	$	3,490,886
	1.66%		1.70%		1.14%		1.01%

MIAMI VALLEY CAREER TECHNOLOGY CENTER
MONTGOMERY COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CENTER'S OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST EIGHT FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Center's covered payroll	$ 20,686,879	$ 19,674,607	$ 19,178,071	$ 21,332,900
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

Note: Information prior to 2016 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017		2016	
$	-	$	-	$	-	$	-
	-		-		-		-
$	-	$	-	$	-	$	-
$	20,696,843	$	21,203,107	$	19,053,257	$	17,873,221
	0.00%		0.00%		0.00%		1.00%

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2014.
- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit receipients commencing benefits on or after April 1, 2018
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.

(Continued)

PENSION (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2014.
- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For fiscal year 2023, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the projected salary increases went from 12.50% at age 20 to 2.50% at age 65 to varies by service from 2.50% to 8.50%

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

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

(Continued)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO (CONTINUED)

Changes in assumptions :

- For fiscal year 2017, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) th municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.
- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%, and (c) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22% to 2.63%.
- For fiscal year 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.

(Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms:

- There were no changes in benefit terms from the amounts previously reported for fiscal year 2017.
- For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.
- For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.
- For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2023.

Changes in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.

(Continued)

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

Changes in assumptions (continued) :

- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to -6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from -6.69% initial - 4.00% ultimate down to -16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.
- For fiscal year 2023, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) projected salary increase went from 12.50% at age 20 to 2.50% at age 65 to varies by services from 2.50% to 8.50% and (b) health care cost trend rates were changed to the following: Pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from -16.18% initial - 4.00% ultimate to -68.78% initial - 3.94% ultimate; prescription drug Pre-Medicare from 6.50% initial - 4.00% ultimate to 9.00% initial - 3.94% ultimate; Medicare from 29.98% initial - 4.00% ultimate to -5.47% initial - 3.94% ultimate.

Miami Valley Career Technology Center
Montgomery County

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2023

FEDERAL GRANTOR / ***Pass Through Grantor*** / **Program / Cluster Title**	**Assistance Listing Number**	**Pass Through Entity Identifying Number**	**Passed Through to Subrecipients**	**Total Federal Expenditures**
U.S. DEPARTMENT OF EDUCATION				
Passed Through the Ohio Department of Higher Education Board of Regents				
Adult Education - Basic Grants to States	84.002	N/A	$ 35,000	$ 1,391,773
Passed Through Ohio Department of Education				
Career and Technical Education - Basic Grants to States	84.048A	N/A	-	1,270,567
COVID-19: Education Stablization Fund				
Governor's Emergency Education Relief (GEER) Fund	84.425C	N/A	-	20,870
Student Financial Assistance Cluster				
Federal Pell Grant Program	84.063	(1)	-	465,206
Federal Direct Student Loans	84.268	(1)	-	640,610
Total Student Financial Assistance Cluster				1,105,816
Total U.S. Department of Education			35,000	3,789,026
U.S. DEPARTMENT OF THE TREASURY				
Passed Through Ohio Facilities Construction Commission				
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	50,000
Total Coronavirus State and Local Fiscal Recovery Funds				50,000
Total U.S. Department of the Treasury				50,000
Total Federal Financial Assistance			$ 35,000	$ 3,839,026

The accompanying notes are an integral part of this schedule.

(1) - Direct Award.

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

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

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

As a subrecipient, the Center has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award’s performance goals.

NOTE E – FEDERAL DIRECT STUDENT LOANS

The Center originates but does not provide funding under the Federal Direct Student Loan Program. The amount presented represents the value of new Direct Student Loans awarded by the Department of Education during the year.

CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

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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*

Board of Education
Miami Valley Career Technology Center
6800 Hoke Road
Englewood, Ohio 45315

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Miami Valley Career Technology Center ("Center") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements, and have issued our report thereon dated December 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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 Center'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center'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 Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
December 27, 2023

CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Miami Valley Career Technology Center
6800 Hoke Road
Englewood, Ohio 45315

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Miami Valley Career Technology Center's (the "Center") 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 Center's major federal programs for the year ended June 30, 2023. The Center'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 Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the 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 Center 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 Center'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 Center'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 Center'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 Center'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 Center'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 Center'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 Center's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
December 27, 2023

Section I - Summary of Auditors' Results

Financial Statements

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

Student Financial Assistance Cluster:
ALN 84.063 – Federal Pell Grant Program
ALN 84.268 – Federal Direct Student Loans

ALN 84.002 - Adult Education – Basic Grants to States

Dollar threshold to distinguish between Type A and Type B Programs:	$750,000
Auditee qualified as low-risk auditee?	No

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SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR § 200.511(b)
June 30, 2023

Finding Number	Finding Description	Status	Explanation
2022-001	Adjustments were necessary to correct financial statements.	Corrected	No such adjustments were noted during current year audit.

We are dedicated to providing premier educational choices
and advanced employment preparation for youth,
adults, and organizations of the Miami Valley.

OHIO AUDITOR OF STATE
KEITH FABER

MIAMI VALLEY CAREER TECHNOLOGY CENTER

MONTGOMERY COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 2/15/2024

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