APOLLO CAREER CENTER

ALLEN COUNTY, OHIO

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

Julian & Grube
Serving Ohio Local Governments

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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Board of Education
Apollo Career Center
3325 Shawnee Road
Lima, Ohio 45806

We have reviewed the *Independent Auditor's Report* of the Apollo Career Center, Allen County, prepared by Julian & Grube, Inc., 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 Apollo Career Center is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

February 16, 2024

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APOLLO CAREER CENTER
ALLEN COUNTY, OHIO

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Julian & Grube

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Independent Auditor's Report

Apollo Career Center
Allen County
3325 Shawnee Road
Lima, Ohio 45806

To the Members of the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Apollo Career Center, Allen County, Ohio, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Apollo Career Center's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Apollo Career Center, as of June 30, 2023, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund and the Adult Education Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Apollo Career 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 Apollo Career 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Apollo Career 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 Apollo Career 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, schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023 on our consideration of the Apollo Career 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 Apollo Career 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 Apollo Career Center's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
December 8, 2023

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

Financial Highlights

Key financial highlights for fiscal year 2023 are as follows:

- Net position increased $1,772,842.

- Capital assets decreased $1,223,922 during fiscal year 2023.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the Apollo Career Center as a whole 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 Career Center, presenting both an aggregate view of the Career 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 Career Center's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Apollo Career Center, the general fund is by far the most significant fund.

Reporting the Career Center as a Whole

Statement of Net Position and the Statement of Activities

While the basic financial statements contain the large number of funds used by the Career Center to provide programs and activities, the view of the Career 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 and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Career Center's net position and changes in net position. This change in net position is important because it tells the reader that, for the Career Center as a whole, the financial position of the Career 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 Career Center's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, required educational programs, and other factors.

In the *Statement of Net Position* and the *Statement of Activities*, governmental activities include the Career Center's programs and services, including instruction, support services, extracurricular activities, and non-instructional services, i.e., food service operations and other non-instructional services.

Reporting the Career Center's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the Career Center's major funds. The Career Center uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the Career Center's most significant funds. The Career Center's major governmental funds are the general fund, the bond retirement fund, the permanent improvement fund, and the adult education fund.

Governmental Funds

All of the Career 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 statements provide a detailed short-term view of the Career 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 financial statements.

Reporting the Career Center's Fiduciary Responsibilities

The Career Center may act in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in custodial funds. These activities are excluded from the Career Center's other financial statements because the assets cannot be utilized by the Career Center to finance its operations. Custodial funds are reported on the accrual basis and present a statement of fiduciary net position and statement of changes in fiduciary net position. The Career Center has no custodial funds.

The Career Center as a Whole

Recall that the Statement of Net Position provides the perspective of the Career Center as a whole. Table 1 provides a summary of the Career Center's net position for fiscal year 2023 compared to fiscal year 2022:

Table 1
Net Position

	Governmental Activities		
	2023	2022	Change
Assets			
Current & Other Assets	$ 36,594,296	$ 33,915,880	$ 2,678,416
Net OPEB Asset	1,498,902	1,180,925	317,977
Capital Assets	48,512,578	49,736,500	(1,223,922)
Total Assets	86,605,776	84,833,305	1,772,471
Deferred Outflows of Resources			
Deferred Charges on Refunding	2,085,682	2,198,421	(112,739)
Pension & OPEB	4,459,658	4,445,565	14,093
Total Deferred Outflows of Resources	6,545,340	6,643,986	(98,646)
Liabilities			
Current & Other Liabilities	1,532,173	1,485,103	47,070
Long-Term Liabilities:			
Due Within One Year	874,005	805,252	68,753
Due In More Than One Year:			
Pension & OPEB	17,097,646	10,772,596	6,325,050
Other Amounts	30,144,026	30,969,777	(825,751)
Total Liabilities	49,647,850	44,032,728	5,615,122
Deferred Inflows of Resources			
Property Taxes	6,129,086	5,920,413	208,673
Pension & OPEB	3,899,127	9,821,939	(5,922,812)
Total Deferred Inflows of Resources	10,028,213	15,742,352	(5,714,139)
Net Position			
Net Investment in Capital Assets	20,293,053	20,829,432	(536,379)
Restricted	12,313,722	11,067,653	1,246,069
Unrestricted	868,278	(194,874)	1,063,152
Total Net Position	$ 33,475,053	$ 31,702,211	$ 1,772,842

The net pension liability (NPL) is one of the largest liabilities reported by the Career Center at June 30, 2023, and is reported pursuant to GASB Statement 68, Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27. In a prior period, the Career Center also adopted 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 Career 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/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 asset/liability to equal the Career 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 Career Center is not responsible for certain key factors affecting the balance of these assets/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. 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. For STRS, the plan's fiduciary net OPEB position was sufficient to cover the plan's total OPEB liability resulting in a net OPEB asset for fiscal year 2023 that is allocated to each school based on its proportionate share. 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 reported by the retirement boards. 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 Career 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 asset/liability, respectively, not accounted for as deferred inflows/outflows.

There was a change in net pension/OPEB liability/asset and related accruals for the Career Center. These fluctuations are due to changes in the actuarial liabilities/assets and related accruals that are passed through to the Career Center's financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and NPL/NOL/NOA and are described in more detail in their respective notes.

Although the Career 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.

A portion of the Career Center's net position, represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance.

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In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for fiscal year 2023 and fiscal year 2022.

Table 2
Changes in Net Position

	Governmental Activities		
	2023	2022	Change
Revenues			
Program Revenues			
Charges for Services	$ 3,632,013	$ 3,373,090	$ 258,923
Operating Grants	4,568,569	4,598,838	(30,269)
Capital Grants	-	28	(28)
Total Program Revenues	8,200,582	7,971,956	228,626
General Revenues			
Property Taxes	7,145,646	7,274,469	(128,823)
Grants & Entitlements Not Restricted	8,834,270	8,078,757	755,513
Gain on Sale of Assets Held for Resale	-	68,128	(68,128)
Other	204,129	(206,144)	410,273
Total General Revenues	16,184,045	15,215,210	968,835
Total Revenues	24,384,627	23,187,166	1,197,461
Program Expenses			
Instruction:			
Regular	374,800	377,067	(2,267)
Special	438,643	242,996	195,647
Vocational	8,137,494	6,719,279	1,418,215
Adult/Continuing	4,336,022	3,654,373	681,649
Support Services:			
Pupils	788,507	777,881	10,626
Instructional Staff	1,501,381	1,533,155	(31,774)
Board of Education	108,182	63,545	44,637
Administration	836,711	738,102	98,609
Fiscal	595,841	571,348	24,493
Business	4,592	5,146	(554)
Operation and Maintenance of Plant	1,920,488	1,830,258	90,230
Pupil Transportation	111,206	77,942	33,264
Central	542,031	684,329	(142,298)
Operation of Non-Instructional/Shared Services:			
Food Service Operations	604,416	551,883	52,533
Other Non-Instructional Services	1,028,903	1,482,732	(453,829)
Extracurricular Activities	83,836	67,847	15,989
Debt Service:			
Interest and Fiscal Charges	1,198,732	1,230,463	(31,731)
Total Expenses	22,611,785	20,608,346	2,003,439
Increase (Decrease) in Net Position	1,772,842	2,578,820	(805,978)
Net Position Beginning of Year	31,702,211	29,123,391	2,578,820
Net Position End of Year	$ 33,475,053	$ 31,702,211	$ 1,772,842

The increase in other general revenues is primarily due to an increase in investment income. The increases in vocational and adult/continuing education expenses are partly due to increased costs for purchased services, supplies and materials, and capital outlay, and partly due to fluctuations in pension/OPEB expenses as previously discussed. Other non-instructional services spending decreased mainly because of a decrease in grants received from the federal Higher Education Emergency Relief Fund.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The dependence upon general revenues for governmental activities is apparent. The community, as a whole, through taxes and other general revenue, is by far the primary support for the Career Center students.

Table 3
Fund Balance

	Fund Balance 6/30/2023	Fund Balance 6/30/2022	Increase (Decrease)
General	$16,067,462	$14,641,981	$1,425,481
Bond Retirement	1,915,680	1,743,916	171,764
Permanent Improvement	3,762,031	3,149,204	612,827
Adult Education	3,146,839	2,791,173	355,666

Governmental Funds

The Career Center's major funds are accounted for using the modified accrual basis of accounting.

In the general fund there was an increase in both revenues and expenditures from the prior fiscal year; however, revenues increased more than twice the amount that expenditures increased. The largest revenue increases were in intergovernmental revenue and investment income.

The bond retirement fund's increase was primarily due to the timing of property tax revenue compared to debt service payments.

While revenues remained fairly steady, the permanent improvement fund's other financing uses and expenditures both increased similarly; however, revenues and other financing sources continued to outpace expenditures leading to the increase in fund balance.

Although revenue and expenditures increased similarly, revenues continued to outpace expenditures in the adult education fund, leading to an increase in fund balance.

General Fund Budgeting Highlights

The Career 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.

Original Budget Compared to Final Budget During the year the Career Center did not significantly amend its original estimated revenues and other financing sources or its original budgeted appropriations and other financing uses.

Final Budget Compared to Actual Results Actual revenues and other financing sources and expenditures and other financing uses did not significantly vary from the final budgeted revenue and other financing sources and the final budgeted expenditures and other financing sources.

Capital Assets and Debt Administration

Capital Assets

Capital assets include, land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles, and construction in progress. These capital assets are used to provide services to students and are not available for future spending. Although the Career 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. See note 7 for more information.

Debt

During the current fiscal year the Career Center's debt decreased due to regular principal payments. See note 13 for additional details.

Current Issues

The General Fund has increased the June 30 fund balance each of the past ten years and the current five year forecast projects, without any new levies, a stable future. The General Fund millage has remained at 1.7 mills since 1982.

The Career Center continues to expand programs in high school and adult education to meet the high demand of skilled workers in the area. In fiscal year 2023, we had record breaking high school enrollment on campus.

Contacting the Career Center's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Career Center's finances and to show the Career Center's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Maria Rellinger, Treasurer of Apollo Career Center, 3325 Shawnee Road, Lima, Ohio 45806-1454.

Apollo Career Center
Allen County, Ohio
Statement of Net Position
June 30, 2023

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	$ 28,188,546
Investments in Segregated Accounts	478,808
Accounts Receivable	250,199
Intergovernmental Receivable	81,447
Property Taxes Receivable	7,374,635
Prepaid Items	200,659
Assets Held for Resale	20,002
Net OPEB Asset	1,498,902
Nondepreciable Capital Assets	383,208
Depreciable Capital Assets (Net)	48,129,370
Total Assets	86,605,776
Deferred Outflows of Resources	
Deferred Charges on Refunding	2,085,682
Pension	4,067,880
OPEB	391,778
Total Deferred Outflows of Resources	6,545,340
Liabilities	
Accounts Payable	24,753
Accrued Wages and Benefits	1,065,315
Contracts Payable	80,750
Intergovernmental Payable	183,671
Matured Compensated Absences Payable	44,376
Accrued Interest Payable	96,873
Unearned Revenue	36,435
Long-Term Liabilities:	
Due Within One Year	874,005
Due In More Than One Year:	
Net Pension Liability	16,236,217
Net OPEB Liability	861,429
Other Amounts Due in More Than One Year	30,144,026
Total Liabilities	49,647,850
Deferred Inflows of Resources	
Property Taxes Levied for the Next Year	6,129,086
Pension	1,522,032
OPEB	2,377,095
Total Deferred Inflows of Resources	10,028,213
Net Position	
Net Investment in Capital Assets	20,293,053
Restricted for:	
Capital Outlay	3,172,028
Debt Service	1,838,386
Other Purposes	7,303,308
Unrestricted	868,278
Total Net Position	$ 33,475,053

See accompanying notes to the basic financial statements

Apollo Career Center
Allen County, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2023

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities				
Instruction:				
Regular	$ 374,800	$ 45,317	$ -	$ (329,483)
Special	438,643	-	810,212	371,569
Vocational	8,137,494	29,167	225,759	(7,882,568)
Adult/Continuing	4,336,022	2,815,486	1,340,301	(180,235)
Support Services:				
Pupils	788,507	25	162,699	(625,783)
Instructional Staff	1,501,381	342,247	590,030	(569,104)
Board of Education	108,182	-	-	(108,182)
Administration	836,711	-	45,440	(791,271)
Fiscal	595,841	-	-	(595,841)
Business	4,592	-	-	(4,592)
Operation and Maintenance of Plant	1,920,488	-	111,645	(1,808,843)
Pupil Transportation	111,206	-	-	(111,206)
Central	542,031	-	21,839	(520,192)
Operation of Non-Instructional/Shared Services:				
Food Service Operations	604,416	281,743	281,709	(40,964)
Other Non-Instructional Services	1,028,903	59,412	978,935	9,444
Extracurricular Activities	83,836	58,616	-	(25,220)
Debt Service:				
Interest and Fiscal Charges	1,198,732	-	-	(1,198,732)
Totals	$ 22,611,785	$ 3,632,013	$ 4,568,569	(14,411,203)

General Revenues	
Property Taxes Levied for:	
General Purposes	4,137,460
Debt Service	1,837,680
Capital Outlay	778,279
Classroom Facility Maintenance	392,227
Grants and Entitlements not Restricted to Specific Programs	8,834,270
Insurance Recoveries	4,725
Gain on Sale of Capital Assets	30,415
Investment Earnings	13,674
Miscellaneous	155,315
Total General Revenues	16,184,045
Change in Net Position	1,772,842
Net Position Beginning of Year	31,702,211
Net Position End of Year	$ 33,475,053

See accompanying notes to the basic financial statements

Apollo Career Center
Allen County, Ohio
Balance Sheet
Governmental Funds
June 30, 2023

	General	Bond Retirement Fund	Permanent Improvement Fund	Adult Education Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Investments	$ 16,105,948	$ 1,615,958	$ 3,681,565	$ 3,094,136	$ 3,690,939	$ 28,188,546
Investments in Segregated Accounts	-	-	-	-	478,808	478,808
Accounts Receivable	9,365	-	-	235,168	5,666	250,199
Interfund Receivable	126,443	-	-	-	-	126,443
Intergovernmental Receivable	80,004	-	-	-	1,443	81,447
Property Taxes Receivable	4,280,949	1,889,206	799,886	-	404,594	7,374,635
Prepaid Items	156,198	-	-	31,636	12,825	200,659
Assets Held for Resale	-	-	-	-	20,002	20,002
Total Assets	$ 20,758,907	$ 3,505,164	$ 4,481,451	$ 3,360,940	$ 4,614,277	$ 36,720,739
Liabilities						
Accounts Payable	$ 10,497	$ -	$ 6,966	$ 1,013	$ 6,277	$ 24,753
Accrued Wages and Benefits	903,116	-	-	117,223	44,976	1,065,315
Contracts Payable	-	-	38,750	-	42,000	80,750
Intergovernmental Payable	140,422	-	-	20,186	23,063	183,671
Matured Compensated Absences Payable	35,641	-	-	8,735	-	44,376
Interfund Payable	-	-	-	-	126,443	126,443
Unearned Revenue	-	-	-	-	36,435	36,435
Total Liabilities	1,089,676	-	45,716	147,157	279,194	1,561,743
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	3,557,403	1,569,905	665,446	-	336,332	6,129,086
Unavailable Revenue	44,366	19,579	8,258	66,944	7,816	146,963
Total Deferred Inflows of Resources	3,601,769	1,589,484	673,704	66,944	344,148	6,276,049
Fund Balances						
Nonspendable	156,198	-	-	31,636	12,825	200,659
Restricted	-	1,915,680	3,163,770	3,115,203	3,841,843	12,036,496
Committed	300,000	-	598,261	-	178,748	1,077,009
Assigned	103,819	-	-	-	-	103,819
Unassigned	15,507,445	-	-	-	(42,481)	15,464,964
Total Fund Balance	16,067,462	1,915,680	3,762,031	3,146,839	3,990,935	28,882,947
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 20,758,907	$ 3,505,164	$ 4,481,451	$ 3,360,940	$ 4,614,277	$ 36,720,739

Apollo Career Center
Allen County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2023

Total Governmental Fund Balances		$ 28,882,947
Amounts reported for governmental activities in 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.		48,512,578
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Accounts Receivable	70,572	
Delinquent Property Taxes	76,391	146,963
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(96,873)
Unamortized loss on refunding represents deferred outflows, which do not use current financial resources and, therefore, are not reported in the funds.		2,085,682
The net pension liability and net OPEB liability/asset are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Net OPEB Asset	1,498,902	
Deferred Outflows - Pension	4,067,880	
Deferred Outflows - OPEB	391,778	
Net Pension Liability	(16,236,217)	
Net OPEB Liability	(861,429)	
Deferred Inflows - Pension	(1,522,032)	
Deferred Inflows - OPEB	(2,377,095)	(15,038,213)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(27,525,000)	
Unamortized Bond Premium	(2,780,207)	
Compensated Absences	(712,824)	(31,018,031)
Net Position of Governmental Activities		$ 33,475,053

Apollo Career Center
Allen County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	General	Bond Retirement Fund	Permanent Improvement Fund	Adult Education Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property and Other Local Taxes	$ 4,217,015	$ 1,870,978	$ 792,314	$ -	$ 399,558	$ 7,279,865
Intergovernmental	9,347,749	220,932	75,775	924,499	2,757,722	13,326,677
Investment Income	13,674	-	-	2,702	31,553	47,929
Tuition and Fees	13,260	-	-	3,188,060	-	3,201,320
Extracurricular Activities	2,317	-	-	-	56,299	58,616
Rentals	1,770	-	-	-	-	1,770
Charges for Services	59,454	-	-	12,446	281,743	353,643
Contributions and Donations	25	-	-	-	64,442	64,467
Miscellaneous	68,765	5,484	3,656	68,752	8,868	155,525
Total Revenues	13,724,029	2,097,394	871,745	4,196,459	3,600,185	24,489,812
Expenditures						
Current:						
Instruction:						
Regular	333,837	-	-	-	-	333,837
Special	437,146	-	-	-	-	437,146
Vocational	6,646,000	-	285,697	-	261,820	7,193,517
Adult Education	-	-	-	3,362,796	536,127	3,898,923
Support Services:						
Pupils	623,167	-	-	30	145,775	768,972
Instructional Staff	624,885	-	-	411,547	489,218	1,525,650
Board of Education	80,728	-	-	-	-	80,728
Administration	805,323	-	-	-	45,439	850,762
Fiscal	572,577	36,780	15,178	-	7,833	632,368
Operation and Maintenance of Plant	1,588,335	-	24,995	-	313,489	1,926,819
Pupil Transportation	37,301	-	40,132	-	-	77,433
Central	498,430	-	-	-	21,839	520,269
Operation of Non-Instructional/Shared Services:						
Food Service Operations	-	-	-	-	526,728	526,728
Other Non-Instructional Services	-	-	-	71,145	956,385	1,027,530
Extracurricular Activities	36,372	-	-	-	47,464	83,836
Capital Outlay	44,862	-	146,299	-	-	191,161
Debt Service						
Principal Retirement	-	650,000	-	-	-	650,000
Interest and Fiscal Charges	-	1,238,850	-	-	-	1,238,850
Total Expenditures	12,328,963	1,925,630	512,301	3,845,518	3,352,117	21,964,529
Excess of Revenues Over (Under) Expenditures	1,395,066	171,764	359,444	350,941	248,068	2,525,283
Other Financing Sources (Uses)						
Proceeds from Sale of Capital Assets	30,415	-	-	-	-	30,415
Insurance Recoveries	-	-	-	4,725	-	4,725
Transfers In	-	-	253,383	-	-	253,383
Transfers Out	-	-	-	-	(253,383)	(253,383)
Total Other Financing Sources (Uses)	30,415	-	253,383	4,725	(253,383)	35,140
Net Change in Fund Balances	1,425,481	171,764	612,827	355,666	(5,315)	2,560,423
Fund Balances Beginning of Year	14,641,981	1,743,916	3,149,204	2,791,173	3,996,250	26,322,524
Fund Balances End of Year	$ 16,067,462	$ 1,915,680	$ 3,762,031	$ 3,146,839	$ 3,990,935	$ 28,882,947

Apollo Career Center
Allen 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		$ 2,560,423
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	$ 864,248	
Current Year Depreciation	(2,052,828)	(1,188,580)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(35,342)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Accounts Receivable	(6,106)	
Delinquent Property Taxes	(134,219)	(140,325)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds		650,000
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	2,575	
Amortization of Premium on Bonds	150,282	
Amortization of Refunding Loss	(112,739)	40,118
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,426,994	
OPEB	35,390	1,462,384
Except for amount 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	(1,887,063)	
OPEB	354,511	(1,532,552)
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences		(43,284)
Change in Net Position of Governmental Activities		$ 1,772,842

Apollo Career Center
Allen County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues and Other Financing Sources	$ 13,207,065	$ 13,413,065	$ 14,382,206	$ 969,141
Expenditures and Other Financing Uses	12,042,420	12,401,099	12,427,630	(26,531)
Net Change in Fund Balance	1,164,645	1,011,966	1,954,576	942,610
Fund Balance Beginning of Year	15,034,572	15,034,572	15,034,572	-
Prior Year Encumbrances Appropriated	83,393	83,393	83,393	-
Fund Balance End of Year	$ 16,282,610	$ 16,129,931	$ 17,072,541	$ 942,610

See accompanying notes to the basic financial statements

Apollo Career Center
Allen County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Education Fund
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues and Other Financing Sources	$ 3,952,405	$ 3,952,405	$ 4,248,967	$ 296,562
Expenditures and Other Financing Uses	3,946,942	4,019,602	3,868,253	151,349
Net Change in Fund Balance	5,463	(67,197)	380,714	447,911
Fund Balance Beginning of Year	2,607,664	2,607,664	2,607,664	-
Prior Year Encumbrances Appropriated	82,852	82,852	82,852	-
Fund Balance End of Year	$ 2,695,979	$ 2,623,319	$ 3,071,230	$ 447,911

Note 1 - Description of the Career Center and Reporting Entity

Apollo Career Center (the "Career Center") is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating school district's elected boards. The Board possessed its own budgeting and taxing authority. The Career Center exposes students to job training skills leading to employment upon graduation from high school.

The reporting entity is composed of the stand-alone government, components units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the Career Center consists of all funds, departments, boards and agencies that are not legally separate from the Career Center. For Apollo Career Center, this includes general operations, food service, and student related activities of the Career Center.

Component units are legally separate organizations for which the Career Center is financially accountable. The Career Center is financially accountable for an organization if the Career Center appoints a voting majority of the organization's Governing Board and (1) the Career Center is able to significantly influence the programs or services performed or provided by the organization; or (2) the Career Center is legally entitled to or can otherwise access the organization's resources; the Career Center is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the Career Center in that the Career Center approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Career Center.

Blended component units, although legally separate entities are, in substance, part of the Career Center's operations and so data from these units are combined with data of the Career Center. The Career Center's blended component unit is described below:

Apollo Educational Foundation

The Foundation is a non-profit corporation created in 1989 and is under the control of the Apollo Career Center Board of Education. The Foundation has a fifteen member Board of Trustees that includes the Superintendent and Treasurer of the Career Center. Although the Foundation is legally separate from the Career Center, it should be reported as if it were part of the primary government because its sole purpose is for the purpose of promoting, improving, enriching, and supplementing the programs and activities of vocational education beyond what is possible with public funds.

The Career Center participates in a jointly governed organization and three insurance pools.

A. Jointly Governed Organization

The Career Center is a participant in the Northwest Ohio Area Computer Services Cooperative (NOACSC), which is a computer consortium. NOACSC is an association of educational entities within the boundaries of Allen, Hancock, Mercer, Paulding, Putnam, and Van Wert Counties, and the Cities of St. Mary's and Wapakoneta. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member educational entities. The governing board of NOACSC consists of two representatives from each county elected by majority vote of all charter member educational entities within each county. Financial information can be obtained from the Northwest Ohio Area Computer Services Cooperative, 4277 East Road Elida, Ohio 45807.

B. Insurance Pools

Southwestern Ohio Educational Purchasing Council The Career Center participates in the Southwestern Ohio Educational Purchasing Council (SOEPC), and insurance purchasing pool established under Section 2744.081 of the Ohio Revised Code. SOEPC is an incorporated nonprofit association of its members which enables the participants to provide for a formalized joint insurance purchasing program for maintaining adequate insurance protection and provides risk management programs and other administrative services. SOEPC's business and affairs are conducted by a board consisting of seven school administrators, who are elected by the membership each year. SOEPC also hires attorneys, auditors and actuaries to assist in running the day to day program. Gallagher is responsible for the insurance program administration while JWF Specialty Company is responsible for processing claims between SOEPC and its members. Financial information can be obtained from Mr. Ken Swink, SOEPC Purchasing Council Director at 303 Corporate Center Dr # 208, Vandalia, OH 45377.

Council of Allen County Schools Health Benefits Consortium The Career Center participates in the Council of Allen County Schools Health Benefits Consortium (Consortium), a public entity shared risk pool consisting of the school districts within Allen County and the Allen County Educational Service Center. The Consortium is organized as a Voluntary Employee Benefit Association under Section 401(c)(9) of the Internal Revenue Code and provides medical and dental benefits to the employees of the participants. Each participant's superintendent is appointed to a Board of Directors which advises the Trustee, Allen County Educational Service Center, concerning aspects of the administration of the Consortium.

Each participant decides which plans offered by the Board of Directors will be extended to its employees. Participation in the Consortium is by written application subject to acceptance by the Board of Directors and payment of the monthly premiums. Financial information can be obtained from the Council of Allen County Schools Health Benefits Consortium, 1920 Slabtown Road, Lima, Ohio 45801.

Ohio Association of School Business Officials (OASBO) Workers' Compensation Group Rating Plan The Career Center participates in a group retrospective rating plan for workers' compensation as established under Section 4123-17-73 of the Ohio Administrative Code. The Ohio SchoolComp Group Retrospective Rating Plan was established through the Ohio School Boards Association (OSBA) and the Ohio Association of School Business Officials (OASBO). The Executive Directors of the OSBA and OASBO, or their designees, serve as coordinators of the group retrospective rating program. Each year, the participating school districts pay an enrollment fee to the program to cover the costs of the administering the program.

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the Career Center as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the Career Center at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Career 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 recipients of the goods or services offered by the program and grants, contributions, and interest that are restricted to meeting the operational requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Career 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 Career Center.

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

B. Fund Accounting

The Career 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 Career Center Functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Career Center are divided into two categories, governmental and fiduciary.

Governmental Funds Governmental funds are those through which all governmental functions of the Career Center are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The Career Center's major governmental funds are as follows:

> ***General Fund*** The General fund is used to account for all financial resources, except those required to be accounted for in another fund. The general fund balance is available to the Career Center for any purpose provided it is expended or transferred according to the general laws of Ohio.
>
> ***Bond Retirement Fund*** The Bond Retirement fund is used to account for property taxes restricted for the payment of principal, interest, and related costs on general obligation debt.
>
> ***Permanent Improvement Fund*** The Permanent Improvement fund is used to account for property taxes restricted for transactions related to the acquiring, constructing, or improving Career Center land, buildings or other property.
>
> ***Adult Education Fund*** The Adult Education fund is used to account for tuition charges and grants restricted for adult education.

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

Fiduciary Funds Fiduciary fund reporting focuses on net position and change in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the Career Center under a trust agreement for individuals, private organizations, or other governments and are not available to support the Career Center's own programs. The Career Center has no fiduciary funds.

C. Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred inflows of resources and all liabilities of resources and deferred outflows associated with the operation of the Career Center are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

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

Like the government-wide statements, the custodial fund is accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fiduciary net position. The statement of changes in fiduciary net position presents increases (i.e., revenues/additions) and decreases (i.e., expenses/disbursements) in net position.

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; the fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues: Exchange and 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined, and available means 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 Career Center, available means expected to be received within sixty days of fiscal year end.

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

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources 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. For the Career Center, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 11 and 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the Career Center, deferred inflows of resources include property taxes, pension, OPEB 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 on both the government-wide statement of net position and 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. For the Career Center, unavailable revenue may include delinquent property taxes, grants and entitlements and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 11 and 12).

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

E. Budgetary Process

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

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

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

F. Cash and Investments

To improve cash management, cash received by the Career Center is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through Career Center records. Interest in the pool is presented as "Equity in Pooled Cash and Investments".

Investments reported at fair value are based on quoted market price, current share price, or amortized cost. STAR Ohio is an investment pool, management 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 Career Center measures the investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized costs basis that provides a NAV per share that approximates fair value.

For fiscal year 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given twenty-four hours in advance of all deposits and withdrawals exceeding $100 million. STAR Ohio reserves the right to limit the transaction to $250 million requiring the excess amount to be transacted the following business days(s), but only to the $250 million limit. All accounts of the participant are combined for this purpose.

The Career Center's commercial paper and mutual funds are measured at amortized cost as they are highly liquid debt instrument with a remaining maturity at the time purchase of less than one year.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General fund during fiscal year 2023 was $13,674, which included $4,891 assigned from other Career Center funds.

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

G. Prepaid Items

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

H. Restricted Assets

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

I. Assets Held for Sale

Assets held for sale are valued at cost for an amount not to exceed the net realizable value. On the fund financial statements, the assets held for sale are offset by a committed fund balance in the governmental funds which indicates that the proceeds of the sale can be used only for the specific purpose determined in the formal action passed by the Board of Education. Assets held for sale by the Career Center include a parcel of land.

J. Capital Assets

Capital assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their acquisition value on the date donated. The Career Center maintains a capitalization threshold of $5,000. The Career Center does not have 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 capitalized.

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

Description	Estimated Useful Lives
Land Improvements	20-40 Years
Buildings and Improvements	10-100 Years
Furniture, Fixtures, and Equipment	5-20 Years
Vehicles	8-15 Years

K. Interfund Assets/Liabilities

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

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the Career Center will compensate the employees for the benefits through paid time off or some other means. The Career 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 termination method. An accrual for sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the Career Center's past experience of making termination payments. Accumulated unused sick leave is paid to employees who retire at various rates depending on department policy and length of service.

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

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

M. Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to pension/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.

N. 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, claims and judgments, and 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 fiscal year. Net pension/OPEB asset/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.

O. Unamortized Premiums

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

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

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

P. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for adult education, classroom facilities maintenance, Apollo Education Foundation, and food service. At fiscal year end, there was no net position restricted by enabling legislation.

The Career Center's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Q. Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Career 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 classifications are as follows:

> ***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.
>
> ***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.
>
> ***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Career Center's Board of Education. Those committed amounts cannot be used for any other purpose unless the Career Center's Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the Career Center for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the Career Center's Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the Board of Education or a Career Center official delegated by that authority by resolution or by State Statute. State statute authorizes the Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

The Career 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.

R. 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.

S. Extraordinary and Special Items

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

T. Implementation of New Accounting Principles

For the fiscal year ended June 30, 2023, the Career Center has implemented GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 93, paragraphs 13 and 14, *Replacement of Interbank Offered Rates*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Available Payment Arrangements,* GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and certain provisions of GASB Statement No. 99, *Omnibus 2022*.

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the Career Center.

GASB Statement No. 93, paragraphs 13 and 14, provide an exception to the lease modifications guidance in GASB Statement No. 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The implementation of GASB Statement No. 93 paragraphs 13 and 14, did not have an effect on the financial statements of the Career Center.

GASB Statement No. 94 improves financial reporting by establishing the definitions of public-private and public-public partnership arrangements and availability payment arrangements as well as provides uniform guidance on accounting and financial reporting for transactions that meet the definitions. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the Career Center.

GASB Statement No. 96 improves financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement also enhances the relevance and reliability of the financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and discloses essential information about the arrangement. The note disclosures also allow the users to understand the scale and important aspects of the SBITA activities and evaluate the obligations and assets resulting from the SBITAs. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the Career Center.

GASB Statement No. 99 enhances comparability in accounting and financial reporting and improves 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 certain provisions of GASB Statement No. 99 that relate to extension of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, and pledges of future revenues by pledging governments, did not have an effect on the financial statements of the Career Center.

Note 3 – Budgetary Basis of Accounting

While the Career Center is 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, disbursements, and encumbrances.

The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP basis) and actual for the General Fund and the Adult Education Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget) rather than when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditure (budget) rather than as a component of restricted, committed or assigned fund balance (GAAP).
4. Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

	General	Adult Education
GAAP Basis	$ 1,425,481	$ 355,666
Net Adjustment for Revenue Accruals	657,287	47,783
Net Adjustment for Expenditure Accruals	(18,753)	174
Funds Budgeted Elsewhere **	(12,682)	-
Adjustment for Encumbrances	(96,757)	(22,909)
Budget Basis	$ 1,954,576	$ 380,714

**As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the health and flower trust funds, rotary/consumer supplies fund and the termination benefits fund.

Note 4 – Deposits and Investments

Monies held by the Career Center are classified by State statute into three categories.

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

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

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

Interim monies to be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, 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 obligations or securities 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 that 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 that the term of the agreement must not exceed thirty days;

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

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

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

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

8. Certain banker's 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. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim monies available for investment at the time of purchase.

Protection of the Career 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 for those noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Career 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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits - At year-end, $4,465,151 of the Career Center’s bank balance of $5,818,076 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions’ trust department in the Career Center’s name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the Career Center to a successful claim by the FDIC.

Funds Held in Segregated Accounts

The funds for the Apollo Educational Foundation fund are maintained separately from the Career Center's deposits. The carrying amount of the deposits is reported as "Investments in Segregated Accounts." These investments are included in the Investments Table below.

Investments

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

			Investment Maturities			
Rating	Investment	Measurement Amount	12 months or less	13 to 36 Months	More Than 36 Months	Percent of Total
	Net Asset Value (NAV):					
AAAm	STAR Ohio	$ 2,385,395	$ 2,385,395	$ -	$ -	10.22%
	Amortized Cost:					
N/A	Mutual Funds	1,261,898	1,261,898	-	-	5.40%
A-1	Commercial Paper	662,615	662,615	-	-	2.84%
	Fair Value (FV):					
AA+	Federal Farm Credit Bank	1,861,189	406,337	1,357,991	96,861	7.97%
AA+	Federal Home Loan Bank	6,756,974	1,626,985	2,445,919	2,684,070	28.94%
AA+	Federal Home Loan Mortgage Corporation	1,261,977	590,811	671,166	-	5.40%
AA+	Federal National Mortgage Association	862,222	-	862,222	-	3.69%
AA+	U.S. Treasury Notes	725,021	436,369	288,652	-	3.10%
N/A	Negotiable Certificates of Deposit	7,573,883	1,701,428	3,748,982	2,123,473	32.44%
	Total	$ 23,351,174	$ 9,071,838	$9,374,932	$ 4,904,404	100.00%

The Career 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 Career Center's recurring fair value measurements as of June 30, 2023. The Career Center's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless matched to a specific obligation or debt of the Career Center. The Treasurer is also restricted from purchasing investments that cannot be held until the maturity date.

Credit Risk The Career Center places no limit on the amount it may invest in any one issuer or investment type. STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2023, is 39 days.

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of a bank failure, the Career Center will not be able to recover deposits or collateral securities that are in possession of an outside party.

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

- Eligible securities pledged to the Career 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 percent 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 required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Note 5 – Receivables

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

Note 6 – Property Taxes

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

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

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

The Career Center receives taxes from Allen, Auglaize, Hardin, Hancock, Putnam and Van Wert Counties. The County Auditors periodically advance to the Career 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 of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

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

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow of resources.

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

	2022 Second Half Collections		2023 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	$ 2,481,818,990	90.50%	$ 2,508,354,190	89.68%
Public Utility Personal Property	260,377,440	9.50%	288,576,610	10.32%
Total	$ 2,742,196,430	100.00%	$ 2,796,930,800	100.00%
Full Tax Rate per $1,000 of assessed valuation	$ 3.14		$ 3.14	

Note 7 - Capital Assets

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

	Balance 6/30/2022	Additions	Deletions and Transfers	Balance 6/30/2023
Governmental Activities				
Capital Assets not being depreciated:				
Land	$ 341,208	$ -	$ -	$ 341,208
Construction in Progress	80,700	42,000	(80,700)	42,000
Total Capital Assets, not being depreciated	421,908	42,000	(80,700)	383,208
Capital Assets, being depreciated:				
Land Improvements	5,675,456	-	-	5,675,456
Building and Improvements	53,815,489	9,774	-	53,825,263
Furniture, Fixtures, and Equipment	8,757,648	718,261	(219,480)	9,256,429
Vehicles	1,259,397	174,913	-	1,434,310
Total Capital Assets, being depreciated	69,507,990	902,948	(219,480)	70,191,458
Less Accumulated Depreciation:				
Land Improvements	(2,051,386)	(270,071)	-	(2,321,457)
Building and Improvements	(12,595,626)	(1,056,392)	-	(13,652,018)
Furniture, Fixtures, and Equipment	(4,662,562)	(626,823)	184,138	(5,105,247)
Vehicles	(883,824)	(99,542)	-	(983,366)
Total Accumulated Depreciation	(20,193,398)	(2,052,828)	184,138	(22,062,088)
Total Capital Assets being depreciated, net	49,314,592	(1,149,880)	(35,342)	48,129,370
Governmental Activities Capital Assets, net	$ 49,736,500	$ (1,107,880)	$ (116,042)	$ 48,512,578

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	$ 33,126
Special	826
Vocational	940,245
Adult/Continuing Education	634,553
Support Services:	
Instructional Staff	27,622
Board of Education	2,934
Administration	13,709
Fiscal	2,446
Business	4,592
Operation and Maintenance of Plant	163,921
Pupil Transportation	59,086
Central	65,222
Food Service Operations	103,173
Other Non-Instructional Services	1,373
Total Depreciation Expense	$ 2,052,828

Note 8 – Interfund Transactions

At June 30, 2023, the general fund had an interfund receivable to cover costs in funds where revenues were not received by June 30. This interfund balance will be repaid once the anticipated revenues are received and are expected to be repaid within one year. Interfund loans between governmental activities are eliminated on the statement of net position.

	Interfund Receivable	Interfund Payable
General	$ 126,443	$ -
Non-Major Governmental Funds:		
House Project	-	125,000
Aspire Grant	-	1,443
Total	$ 126,443	$ 126,443

With Governing Board approval, the local building fund (non-major governmental fund) transferred $253,383 to the permanent improvement fund to help fund other capital projects.

Note 9 – Other Commitments

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

Fund	Amount
General	$ 89,543
Permanent Improvement	277,609
Adult Education	22,209
Nonmajor Governmental	233,832
	$ 623,193

Note 10 – Risk Management

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

A. Property and Liability

In fiscal year 2023, the Career Center participated in the Southwestern Ohio Educational Purchasing Council Liability, Fleet, and Property Program, an insurance purchasing pool. Each participant enters into an individual agreement with the Southwestern Ohio Educational Purchasing Council for insurance coverage and pays annual premiums to the Southwestern Ohio Educational Purchasing Council based on the types and limits of coverage and deductibles selected by the participant. Settled claims have not exceeded insurance coverage during the last three years, and there have been no significant reductions in insurance coverage during the fiscal year.

B. Employee Medical and Dental Benefits

The Career Center participates in the Council of Allen County Schools Health Benefits Consortium (Consortium), a public entity shared risk pool consisting of ten school districts and the Allen County Educational Service Center. The Career Center pays monthly premiums to the Consortium for employee medical and dental benefits. The Consortium is responsible for the management and operations of the program and the payment of claims. Upon withdrawal from the Consortium, a participant is responsible for the payment of all Consortium liabilities to its employees, dependents, and designated beneficiaries accruing as a result of the withdrawal.

C. Workers Compensation

For calendar years 2020 through 2023, the Career Center participated in the Ohio SchoolComp Worker's Compensation Group Retrospective Rating Plan, a voluntary performance-based incentive program offered jointly by the Ohio Schools Boards Association (OSBA) and the Ohio Association of School Business Officials (OASBO). The intent of the program is to reward participants that are able to keep their claims costs low. Districts continue to pay their individual premium directly to the Ohio BWC. Districts will then have future premium adjustments (refunds or assessments) at the end of each of the three evaluation periods. For the 2023 program, the evaluation periods will 12/31/24, 12/31/25 and 12/31/26. Refunds or assessments will be calculated by the Ohio BWC, based on the pro-rata share of the districts individual premium compared to the overall program premium. Participation in the Group Retrospective Rating Plan is limited to school districts that selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the program.

Note 11 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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 net pension/OPEB liability (asset) represents the Career 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 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 this estimate annually.

Ohio Revised Code limits the Career Center's obligation for this liability to annually required payments. The Career Center cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the Career 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 proportionate share of each plan's unfunded benefits is presented as a long-term *net pension/OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

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

Plan Description - School Employees Retirement System (SERS)

Plan Description – Career Center non-teaching employees participate in SERS, a statewide, cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor 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 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, may be included in this plan.

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

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

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

The Career Center's contractually required contribution to SERS was $342,833 for fiscal year 2023. Of this amount, $10,745 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective August 1, 2017 – July 1, 2019, any member could retire with reduced benefits who had (1) five years of service credit and age 60; (2) 27 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Effective August 1, 2019 – July 1, 2021, any member may retire with reduced benefits who has (1) five years of service credit and age 60; (2) 28 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Eligibility changes will continue to 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 their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined plan offers features of both the DB Plan and the DC Plan. In the Combined plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 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 2023 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2023, the full employer contribution was allocated to pension.

The Career Center's contractually required contribution to STRS was $1,084,161 for fiscal year 2023. Of this amount, $123,621 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows/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 independent actuarial valuation as of that date. The Career Center's proportion of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.0622642%	0.05788759%	
Prior Measurement Date	0.0649781%	0.05601000%	
Change in Proportionate Share	-0.0027139%	0.00187759%	
Proportionate Share of the Net Pension Liability	$ 3,367,732	$ 12,868,485	$ 16,236,217
Pension Expense	$ 193,180	$ 1,693,883	$ 1,887,063

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period.

At June 30, 2023, the Career 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	$ 136,396	$ 164,732	$ 301,128
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	447,794	447,794
Changes of Assumptions	33,230	1,539,970	1,573,200
Changes in Proportion and Differences between Career Center Contributions and Proportionate Share of Contributions	49,350	269,414	318,764
Career Center Contributions Subsequent to the Measurement Date	342,833	1,084,161	1,426,994
Total Deferred Outflows of Resources	$ 561,809	$ 3,506,071	$ 4,067,880

Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$ 22,108	$ 49,226	$ 71,334
Net Difference between Projected and Actual Earnings on Pension Plan Investments	117,520	-	117,520
Changes of Assumptions	-	1,159,156	1,159,156
Changes in Proportion and Differences between Career Center Contributions and Proportionate Share of Contributions	93,321	80,701	174,022
Total Deferred Inflows of Resources	$ 232,949	$ 1,289,083	$ 1,522,032

$1,426,994 reported as deferred outflows of resources related to pension resulting from Career 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	$ 15,904	$ 125,342	$ 141,246
2025	(57,294)	(177)	(57,471)
2026	(167,878)	(297,412)	(465,290)
2027	195,295	1,305,074	1,500,369
Total	$ (13,973)	$ 1,132,827	$ 1,118,854

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.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2022 and June 30, 2021, are presented below:

Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent, net of investment expense, including inflation
COLA or Ad Hoc COLA	2.00 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement

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

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

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

The target asset 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 Strategies	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	100.00 %	

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

Sensitivity of the Career 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 Career Center's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Career Center's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Career Center's Proportionate Share of the Net Pension Liability	$ 4,957,141	$ 3,367,732	$ 2,028,677

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:

Inflation	2.50 percent
Salary Increases	
Current Measurement Period	Varies by service from 2.50 percent to 8.50 percent
Prior Measurement Period	Varies by age from 2.50 percent to 12.50 percent
Payroll Increases	3.00 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Cost-of-Living Adjustments (COLA)	0.00 percent effective July 1, 2017

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

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

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

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

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

*Target allocation percentage is effective 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 percent and is net of investment expenses. Over a 30-year period, STRS investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

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

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

	1% Decrease	Current Discount Rate	1% Increase
Career Center's Proportionate Share of the Net Pension Liability	$ 19,439,595	$ 12,868,485	$ 7,311,359

Changes between the Measurement Date and the Reporting Date The discount rate was adjusted to 7.00 percent for the June 30, 2022 valuation. Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

Note 12 – Defined Benefit OPEB Plans

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

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The Career 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. The following types of credit purchased after January 29, 1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2023, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the Career Center's surcharge obligation was $35,390, which is reported as an intergovernmental payable. The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The Career Center's contractually required contribution to SERS was equal to its surcharge obligation for fiscal year 2023.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. 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 percent of covered payroll. For the fiscal year ended June 30, 2023, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/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 Career Center's proportion of the net OPEB liability (asset) was based on the Career Center's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.0613549%	0.05788759%	
Prior Measurement Date	0.0641300%	0.05601000%	
Change in Proportionate Share	-0.0027751%	0.00187759%	
Proportionate Share of the Net OPEB Liability (Asset)	$ 861,429	$ (1,498,902)	
OPEB Expense	$ (95,075)	$ (259,436)	$ (354,511)

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in OPEB expense beginning in the current period, using a straight-line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five-year period.

At June 30, 2023, the Career 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	$ 7,241	$ 21,728	$ 28,969
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	4,476	26,090	30,566
Changes of Assumptions	137,021	63,848	200,869
Changes in Proportion and Differences between Career Center Contributions and Proportionate Share of Contributions	61,920	34,064	95,984
Career Center Contributions Subsequent to the Measurement Date	35,390	-	35,390
Total Deferred Outflows of Resources	$ 246,048	$ 145,730	$ 391,778

Deferred Inflows of Resources						
Differences between Expected and Actual Experience	$	551,032	$	225,107	$	776,139
Changes of Assumptions		353,624		1,062,873		1,416,497
Changes in Proportion and Differences between Career Center Contributions and Proportionate Share of Contributions		165,758		18,701		184,459
Total Deferred Inflows of Resources	$	1,070,414	$	1,306,681	$	2,377,095

$35,390 reported as deferred outflows of resources related to OPEB resulting from Career Center contributions subsequent to the measurement date will be recognized as a reduction/addition to 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	$	(209,481)	$	(333,122)	$	(542,603)
2025		(195,482)		(328,198)		(523,680)
2026		(158,909)		(166,725)		(325,634)
2027		(97,547)		(67,230)		(164,777)
2028		(70,428)		(87,837)		(158,265)
Thereafter		(127,909)		(177,839)		(305,748)
Total	$	(859,756)	$	(1,160,951)	$	(2,020,707)

Actuarial Assumptions - SERS

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

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

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

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

Inflation	2.40 percent
Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
Fiduciary Net Position Depletion	Projected to be 2044
Municipal Bond Index Rate	
Measurement Date	3.69 percent
Prior Measurement Date	1.92 percent
Single Equivalent Interest Rate	
Measurement Date	4.08 percent, net of plan investment expense, including price inflation
Prior Measurement Date	2.27 percent, net of plan investment expense, including price inflation
Health Care Cost Trend Rate	
Medicare	5.125 percent - 4.40 percent
Pre-Medicare	6.750 percent - 4.40 percent
Medical Trend Assumption	7.00 percent - 4.40 percent

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

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

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

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, 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 Strategies	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 percent. The discount rate used to measure total OPEB liability prior to June 30, 2022 was 2.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the plan at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022 and the June 30, 2021 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.69 percent at June 30, 2022 and 1.92 percent at June 30, 2021.

Sensitivity of the Career 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 and what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.08 percent) and higher (5.08 percent) than the current discount rate (4.08 percent). Also shown is what the net OPEB liability would be based on health care cost trend rates that are one percentage point lower (6.00 percent decreasing to 3.40 percent) and higher (8.00 percent decreasing to 5.40 percent) than the current rate (7.00 percent decreasing to 4.40 percent).

	1% Decrease	Current Discount Rate	1% Increase
Career Center's Proportionate Share of the Net OPEB Liability	$ 1,069,908	$ 861,429	$ 693,130

	1% Decrease	Current Trend Rate	1% Increase
Career Center's Proportionate Share of the Net OPEB Liability	$ 664,316	$ 861,429	$ 1,118,890

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

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

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

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

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

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

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

*Target allocation percentage is effective 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 percent and is net of investment expenses. Over a 30-year period, STRS investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

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

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

	1% Decrease	Current Discount Rate	1% Increase
Career Center's Proportionate Share of the Net OPEB (Asset)	$ (1,385,696)	$ (1,498,902)	$ (1,595,873)

	1% Decrease	Current Trend Rate	1% Increase
Career Center's Proportionate Share of the Net OPEB (Asset)	$ (1,554,726)	$ (1,498,902)	$ (1,428,438)

Note 13 – Long-Term Obligations

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

	Outstanding Balance 6/30/2022	Additions	Deductions	Outstanding Balance 6/30/2023	Amount Due Within One Year
Governmental Activities:					
General Obligations Bonds:					
Various Purpose School Improvement Refunding Bonds, Series 2017					
Serial Bonds	$ 18,495,000	$ -	$ (650,000)	$ 17,845,000	$ 710,000
Term Bonds	9,680,000	-	-	9,680,000	-
Premium	2,930,489	-	(150,282)	2,780,207	-
Total General Obligation Bonds	31,105,489	-	(800,282)	30,305,207	710,000
Other Long-Term Obligations:					
Net Pension Liability	9,558,893	6,677,324	-	16,236,217	-
Net OPEB Liability	1,213,703	-	(352,274)	861,429	-
Compensated Absences	669,540	164,608	(121,325)	712,823	164,005
Total General Long-Term Obligations	$ 42,547,625	$ 6,841,932	$(1,273,881)	$ 48,115,676	$ 874,005

Compensated absences will be paid from the General Fund, the Food Service Fund (a nonmajor governmental fund), and the Adult Education Fund. There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund and adult education fund. For additional information related to the net pension liability and net OPEB liability see Notes 11 and 12.

Various Purpose School Improvement Refunding Bonds, Series 2017

On December 27, 2017, the Career Center issued $29,000,000 in refunding bonds. The proceeds of the bonds were used to refund $29,105,000 of the Career Center's outstanding 2014 Ohio Schools Facilities Commission General Obligation Bonds. This refunding bond was issued with a premium of $3,606,758, which is reported as an increase to bonds payable. The amounts are being amortized as interest expenses over the life of the bonds using the straight-line method. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of $2,705,747. The amounts are being amortized as interest expense over the life of the bonds using the straight-line method. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of $3,521,485. The issuance resulted in an economic gain of $3,682,998.

The serial bonds totaling $19,320,000 were issued with varying interest rates of 3.00 percent to 5.00 percent and will mature December 1, 2036. The term bonds totaling $9,680,000 were issued with interest rates of 4.00 percent to 5.00 percent and will mature December 1, 2041.

The serial bonds maturing by December 1, 2036, are subject to optional redemption prior to maturity on any date on or after December 1, 2027. The term bonds maturing December 1, 2039 and December 1, 2041 are subject to mandatory sinking fund redemption at a price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption on December 1 of the years shown in the following schedules:

The following is a summary of the Career Center's future annual debt service requirements for governmental long-term obligations:

Fiscal Year	General Obligation Bonds	
Ending June 30,	Principal	Interest
2024	$ 710,000	$ 1,204,850
2025	$ 780,000	1,167,600
2026	850,000	1,126,850
2027	925,000	1,082,475
2028	1,000,000	1,034,350
2029-2033	6,480,000	4,286,000
2034-2038	9,155,000	2,615,575
2039-2041	7,625,000	609,750
	$ 27,525,000	$ 13,127,450

Note 14 – Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn 5 to 20 days of vacation per year, depending upon length of service. The Superintendent and Treasurer are entitled up to 30 days of vacation per year. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Teachers may accumulate sick leave up to a maximum of 245 days. Upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of 60 days. Administrators and classified employees may accumulate sick leave up to a maximum of 245 days and upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of 60 days.

B. Health Care Benefits

The Career Center offers employee medical and dental benefits through the Council of Allen County Schools Health Benefits Consortium. The employee pays 15 percent of the cost of the monthly premium. The premium varies with each employee depending on the terms of the union contract. The Career Center provides life insurance and accidental death and dismemberment insurance to all contract employees through Dearborn National Life Insurance Company.

Note 15 – Fund Balance

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

	General	Bond Retirement	Permanent Improvement	Adult Education	Other Governmental Funds	Total
Nonspendable for:						
Prepaids	$ 156,198	$ -	$ -	$ 31,636	$ 12,825	$ 200,659
Total Nonspendable	156,198	-	-	31,636	12,825	200,659
Restricted for:						
Capital Projects	-	-	3,163,770	-	-	3,163,770
Debt Service	-	1,915,680	-	-	-	1,915,680
Adult Education	-	-	-	3,115,203	-	3,115,203
Classroom Facilities Maintenance	-	-	-	-	2,846,997	2,846,997
Other Purposes	-	-	-	-	994,846	994,846
Total Restricted	-	1,915,680	3,163,770	3,115,203	3,841,843	12,036,496
Committed for:						
Termination Benefits	300,000	-	-	-	-	300,000
Capital Projects	-	-	598,261	-	-	598,261
Student Activities	-	-	-	-	178,748	178,748
Total Committed	300,000	-	598,261	-	178,748	1,077,009
Assigned for:						
Instruction	19,750	-	-	-	-	19,750
Support Services	59,227	-	-	-	-	59,227
Extracurricular	10,566	-	-	-	-	10,566
Other Purposes	14,276	-	-	-	-	14,276
Total Assigned	103,819	-	-	-	-	103,819
Unassigned	15,507,445	-	-	-	(42,481)	15,464,964
Total Fund Balance	$ 16,067,462	$ 1,915,680	$ 3,762,031	$ 3,146,839	$ 3,990,935	$ 28,882,947

The following funds had a deficit balance at the end of the fiscal year: The General Fund is liable for any deficits in the non-major governmental funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities. The deficits in the non-major governmental funds will be eliminated by future intergovernmental revenues not recognized under GAAP at June 30.

	Deficit
Non-Major Governmental Funds	
ESSER	3,139
Vocational Education: Carl D. Perkins	33,817
Miscellaneous Federal Grants	5,525
Total	$ 42,481

Note 16 – Set-Asides

The Career 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 the end of the fiscal year or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year-end. This amount must be carried forward and used for the same purpose in future years.

The following cash basis information identifies the change in the fund balance reserve for capital improvements during fiscal year 2023.

	Capital Improvement Reserve
Set-aside Reserve Balance as of June 30, 2022	$ -
Current Year Set Aside Requirement	201,048
Current Year Offsets	(1,447,786)
Total	$ (1,246,738)
Balance Carried Forward to Fiscal Year 2024	$ -
Set Aside Reserve Balance as of June 30, 2023	$ -

Note 17 – Contingencies

A. Grants

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

B. Litigation

There are currently no matters in litigation with the Career Center as defendant.

Note 18 – Subsequent Event

In September 2023, the Career Center was awarded $2,990,483 in funding from the Ohio Facilities Construction Commission. This award in combination with $2,500,000 from the State of Ohio capital budget and funds from the Career Center itself will be used to construct the Apollo Regional Training Safety Program facility.

Apollo Career Center
Allen County, Ohio
Required Supplementary Information
Schedule of the Career Center's Proportionate Share of the Net Pension Liability
Last Ten Years

	2023	2022	2021	2020	2019
School Employees Retirement System (SERS)					
Career Center's Proportion of the Net Pension Liability	0.0622642%	0.0649781%	0.0613487%	0.0625209%	0.0648244%
Career Center's Proportionate Share of the Net Pension Liability	$ 3,367,732	$ 2,397,503	$ 4,057,732	$ 3,740,735	$ 3,712,613
Career Center's Covered Payroll	$ 2,414,950	$ 2,192,250	$ 2,152,871	$ 2,165,874	$ 2,188,148
Career Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	139.45%	109.36%	188.48%	172.71%	169.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.82%	82.86%	68.55%	70.85%	71.36%
State Teachers Retirement System (STRS)					
Career Center's Proportion of the Net Pension Liability	0.05788759%	0.05601006%	0.05636146%	0.05661187%	0.05531905%
Career Center's Proportionate Share of the Net Pension Liability	$ 12,868,485	$ 7,161,390	$ 13,637,468	$ 12,519,375	$ 12,163,417
Career Center's Covered Payroll	$ 7,408,564	$ 6,848,386	$ 6,806,871	$ 6,709,643	$ 6,257,436
Career Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	173.70%	104.57%	200.35%	186.59%	194.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.90%	87.80%	75.50%	77.40%	77.31%

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See notes to the required supplementary information

2018	2017	2016	2015	2014
0.0704551%	0.0697404%	0.0687764%	0.0671220%	0.0671220%
$ 4,209,537	$ 5,104,353	$ 3,924,448	$ 3,397,006	$ 3,991,530
$ 2,247,607	$ 2,157,293	$ 2,027,700	$ 1,860,527	$ 1,810,860
187.29%	236.61%	193.54%	182.58%	220.42%
69.50%	62.98%	69.16%	71.70%	65.52%
0.05247787%	0.05243724%	0.05733057%	0.05795130%	0.05795130%
$ 12,466,231	$ 17,552,325	$ 15,844,493	$ 14,095,762	$ 16,790,779
$ 5,828,686	$ 5,696,779	$ 5,916,821	$ 5,907,100	$ 5,819,631
213.88%	308.11%	267.79%	238.62%	288.52%
75.30%	66.80%	72.10%	74.70%	69.30%

See notes to the required supplementary information

Apollo Career Center
Allen County, Ohio
Required Supplementary Information
Schedule of the Career Center's Contributions - Pension
Last Ten Fiscal Years

	2023	2022	2021	2020	2019
School Employees Retirement System (SERS)					
Contractually Required Contribution	$ 342,833	$ 338,093	$ 306,915	$ 301,402	$ 292,393
Contributions in Relation to the Contractually Required Contribution	(342,833)	(338,093)	(306,915)	(301,402)	(292,393)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Career Center's Covered Payroll	$ 2,448,807	$ 2,414,950	$ 2,192,250	$ 2,152,871	$ 2,165,874
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.50%
State Teachers Retirement System (STRS)					
Contractually Required Contribution	$ 1,084,161	$ 1,037,199	$ 958,774	$ 952,962	$ 939,350
Contributions in Relation to the Contractually Required Contribution	(1,084,161)	(1,037,199)	(958,774)	(952,962)	(939,350)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Career Center's Covered Payroll	$ 7,744,007	$ 7,408,564	$ 6,848,386	$ 6,806,871	$ 6,709,643
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

See notes to the required supplementary information

2018		2017		2016		2015		2014	
$	295,400	$	314,665	$	302,021	$	267,251	$	257,869
	(295,400)		(314,665)		(302,021)		(267,251)		(257,869)
$	-	$	-	$	-	$	-	$	-
$	2,188,148	$	2,247,607	$	2,157,293	$	2,027,700	$	1,860,527
	13.50%		14.00%		14.00%		13.18%		13.86%
$	876,041	$	816,016	$	797,549	$	828,355	$	767,923
	(876,041)		(816,016)		(797,549)		(828,355)		(767,923)
$	-	$	-	$	-	$	-	$	-
$	6,257,436	$	5,828,686	$	5,696,779	$	5,916,821	$	5,907,100
	14.00%		14.00%		14.00%		14.00%		13.00%

Apollo Career Center
Allen County, Ohio
Required Supplementary Information
Schedule of the Career Center's Proportionate Share of the Net OPEB Liability (Asset)
Last Seven Years (1)

	2023	2022	2021	2020
School Employees Retirement System (SERS)				
Career Center's Proportion of the Net OPEB Liability	0.0613549%	0.0641300%	0.0608450%	0.0606440%
Career Center's Proportionate Share of the Net OPEB Liability	$ 861,429	$ 1,213,703	$ 1,322,357	$ 1,525,067
Career Center's Covered Payroll	$ 2,414,950	$ 2,192,250	$ 2,152,871	$ 2,165,874
Career Center's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	35.67%	55.36%	61.42%	70.41%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.34%	24.08%	18.17%	15.57%
State Teachers Retirement System (STRS)				
Career Center's Proportion of the Net OPEB Liability/(Asset)	0.05788759%	0.05601000%	0.05636100%	0.05661200%
Career Center's Proportionate Share of the Net OPEB Liability/(Asset)	$ (1,498,902)	$ (1,180,925)	$ (990,543)	$ (937,631)
Career Center's Covered Payroll	$ 7,408,564	$ 6,848,386	$ 6,806,871	$ 6,709,643
Career Center's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	-20.23%	-17.24%	-14.55%	-13.97%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)	230.73%	174.73%	182.10%	174.70%

(1) Information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

2019	2018	2017
0.0631880%	0.0675973%	0.0668061%
$ 1,753,006	$ 1,814,134	$ 1,904,221
$ 2,188,148	$ 2,247,607	$ 2,157,293
80.11%	80.71%	88.27%
13.57%	12.46%	11.49%
0.05531905%	0.05247787%	0.05243724%
$ (888,921)	$ 2,047,493	$ 2,804,357
$ 6,257,436	$ 5,828,686	$ 5,696,779
-14.21%	35.13%	49.23%
176.00%	47.10%	37.30%

See notes to the required supplementary information

Apollo Career Center
Allen County, Ohio
Required Supplementary Information
Schedule of the Career Center's Contributions - OPEB
Last Ten Fiscal Years

	2023	2022	2021	2020	2019
School Employees Retirement System (SERS)					
Contractually Required Contribution (1)	$ 35,390	$ 28,249	$ 27,939	$ 25,766	$ 33,524
Contributions in Relation to the Contractually Required Contribution	(35,390)	(28,249)	(27,939)	(25,766)	(33,524)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Career Center's Covered Payroll	$ 2,448,807	$ 2,414,950	$ 2,192,250	$ 2,152,871	$ 2,165,874
OPEB Contributions as a Percentage of Covered Payroll (1)	1.45%	1.17%	0.78%	1.27%	1.55%
State Teachers Retirement System (STRS)					
Contractually Required Contribution	$ -	$ -	$ -	$ -	$ -
Contributions in Relation to the Contractually Required Contribution	-	-	-	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Career Center's Covered Payroll	$ 7,744,007	$ 7,408,564	$ 6,848,386	$ 6,806,871	$ 6,709,643
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Includes surcharge

2018	2017	2016	2015	2014
$ 33,636	$ 18,801	$ 17,208	$ 30,897	$ 36,995
(33,636)	(18,801)	(17,208)	(30,897)	(36,995)
$ -	$ -	$ -	$ -	$ -
$ 2,188,148	$ 2,247,607	$ 2,157,293	$ 2,027,700	$ 1,860,527
1.54%	0.84%	0.80%	1.52%	1.99%
$ -	$ -	$ -	$ -	$ 59,071
-	-	-	-	(59,071)
$ -	$ -	$ -	$ -	$ -
$ 6,257,436	$ 5,828,686	$ 5,696,779	$ 5,916,821	$ 5,907,100
0.00%	0.00%	0.00%	0.00%	1.00%

NOTE 1 - NET PENSION LIABILITY

There were no changes in assumptions or benefit terms for the fiscal years reported unless otherwise stated below:

Changes in Assumptions - SERS

For fiscal year 2022, the SERS Board adopted the following assumption changes:

- Assumed rate of inflation was reduced from 3.00 percent to 2.40 percent
- Payroll growth assumption was reduced from 3.50 percent to 1.75 percent
- Assumed real wage growth was reduced from 0.50 percent to 0.85 percent
- Discount rate was reduced from 7.50 percent to 7.00 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members, service retirees and beneficiaries, and disabled members were updated.

For fiscal year 2017, the SERS Board adopted the following assumption changes:

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

Changes in Benefit Terms - SERS

For fiscal year 2022, cost-of-living adjustments were increased from 2.00 percent to 2.50 percent.

For fiscal year 2021, cost-of-living adjustments were reduced from 2.50 percent to 2.00 percent.

For fiscal year 2018, the cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.50 percent with a floor of zero percent beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Changes in Assumptions – STRS

For fiscal year 2022, the Retirement Board approved several changes to the actuarial assumptions. The salary increases were where changed from 12.50 percent at age 20 to 2.50 percent at age 65 to varying by service from 2.50 percent to 8.50 percent. The healthy and disabled mortality assumptions were updated to the Pub-2010 mortality tables with generational improvement scale MP-2020.

For fiscal year 2021, the long term expected rate of return was reduced from 7.45 percent to 7.00 percent.

For fiscal year 2018, the Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75 percent to 7.45 percent, the inflation assumption was lowered from 2.75 percent to 2.50 percent, the payroll growth assumption was lowered to 3.00 percent, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25 percent due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Changes in Benefit Terms - STRS

For fiscal year 2018, the cost-of-living adjustment (COLA) was reduced to zero.

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions – SERS

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

Municipal Bond Index Rate:

Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Pre-Medicare Trend Assumption

Fiscal year 2023	6.75 percent initially, decreasing to 4.40 percent
Fiscal year 2022	6.75 percent initially, decreasing to 4.40 percent
Fiscal year 2021	7.00 percent initially, decreasing to 4.75 percent
Fiscal year 2020	7.00 percent initially, decreasing to 4.75 percent
Fiscal year 2019	7.25 percent initially, decreasing to 4.75 percent
Fiscal year 2018	7.50 percent initially, decreasing to 4.00 percent

Medicare Trend Assumption

Fiscal year 2023	7.00 percent initially, decreasing to 4.40 percent
Fiscal year 2022	5.125 percent initially, decreasing to 4.40 percent
Fiscal year 2021	5.25 percent initially, decreasing to 4.75 percent
Fiscal year 2020	5.25 percent initially, decreasing to 4.75 percent
Fiscal year 2019	5.375 percent initially, decreasing to 4.75 percent
Fiscal year 2018	5.50 percent initially, decreasing to 5.00 percent

Changes in Benefit Terms - SERS

There have been no changes to the benefit provisions.

Changes in Assumptions – STRS

For fiscal year 2022, the healthy and disabled mortality assumptions were updated to the RPub-2010 mortality tables with generational improvement scale MP-2020. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

For fiscal year 2022, the following changes were made to the actuarial assumptions:

- Projected salary increases from 3.25 to 10.75 percent, including wage inflation to varying by service from 2.50 to 8.50 percent
- Medicare medical health care cost trends from -16.18 percent initial to -68.78 percent initial and 4.00 percent ultimate to 3.94 percent ultimate
- Medicare prescription drug health care cost trends from 29.98 percent initial to -5.47 percent initial and 4.00 percent ultimate to 3.94 percent ultimate

For fiscal year 2021, valuation year per capita health care costs were updated. Health care cost trend rates ranged from -5.20 percent to 9.60 percent initially for fiscal year 2020 and changed for fiscal year 2021 to a range of -6.69 percent to 11.87 percent, initially.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45 percent. Valuation year per capita health care costs were updated. Health care cost trend rates ranged from 6.00 percent to 11 percent initially and a 4.50 percent ultimate rate for fiscal year 2018 and changed for fiscal year 2019 to a range of -5.20 percent to 9.60 percent, initially and a 4.00 ultimate rate.

For fiscal year 2018, the blended discount rate was increased from 3.26 percent to 4.13 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Changes in Benefit Terms – STRS

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

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

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

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. This was subsequently extended, see above paragraph.

SUPPLEMENTARY INFORMATION

APOLLO CAREER CENTER
ALLEN COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through the Ohio Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	2022	$ 5,503
School Breakfast Program	10.553	2023	24,914
Total School Breakfast Program			30,417
COVID-19 - National School Lunch Program - CN COVID PRO MANF	10.555	COVID-19, 2022	32,918
COVID-19 - National School Lunch Program - CN COVID PRO MANF	10.555	COVID-19, 2023	2,178
National School Lunch Program	10.555	2022	43,660
National School Lunch Program	10.555	2023	201,007
National School Lunch Program - Food Donation	10.555	2023	40,442
Total National School Lunch Program			320,205
Total Child Nutrition Cluster			350,622
COVID-19 - State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	10.649	COVID-19, 2022	628
Total U.S. Department of Agriculture			351,250
U.S. DEPARTMENT OF TREASURY			
Passed Through Ohio Office of Budget and Management			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds - School Safety Round #3	21.027	COVID-19, 2023	21,565
Total U.S. Department of Treasury			21,565
U.S. DEPARTMENT OF EDUCATION			
Passed Through the Ohio Department of Higher Education			
Adult Education - Basic Grants to States - Aspire Instructional	84.002A	84.002A, 2023	233,959
Partnership Spent On-Behalf of Members Grants (Total Member Share) as Partnership Lead			
Career and Technical Education Basic Grants to States - Carl D. Perkins Secondary	84.048A	84.048A, 2023	219,584
Career and Technical Education Basic Grants to States	84.048A	84.048A, 2023	368,255
Total Career and Technical Education Basic Grants to States			587,839
Direct			
Student Financial Assistance Cluster			
Federal Pell Grant Program	84.063	N/A	6,532
Federal Pell Grant Program	84.063	N/A	569,989
Total Federal Pell Grant Program			576,521
Federal Direct Student Loans (Direct Loan)	84.268	N/A	122,489
Federal Direct Student Loans (Direct Loan)	84.268	N/A	387,162
Total Federal Direct Student Loans (Direct Loan)			509,651
Total Student Financial Assistance Cluster			1,086,172
Passed Through the Ohio Department of Education			
COVID-19 - Governor's Emergency Education Relief (GEER) Fund	84.425C	COVID-19, 84.425C, 2023	27,649
COVID-19 - Governor's Emergency Education Relief (GEER II) Fund	84.425C	COVID-19, 84.425C, 2023	52,990
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund - Innovative Workforce Incentive Program Grant 2	84.425D	COVID-19, 84.425D, 2023	95,545
Direct			
COVID-19 - Higher Education Emergency Relief Fund (HEERF III) - Institutional Aid Portion	84.425F	COVID-19, 84.425F, P425F203431	303,342
Total Education Stabilization Fund (ESF)			479,526
Total U.S. Department of Education			2,387,496
Total Expenditures of Federal Awards			$ 2,760,311

The accompanying notes are an integral part of this schedule.

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

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

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Apollo Career Center under programs of the federal government for the fiscal year ended June 30, 2023 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Apollo Career Center, it is not intended to and does not present the financial position, or changes in net position of the Apollo Career Center. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

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

NOTE 3 – CHILD NUTRITION CLUSTER

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

NOTE 4 – FOOD DONATION PROGRAM

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

NOTE 5 – PARTNERSHIP FUNDS

The Apollo Career Center was awarded federal program allocations under a partnership agreement with four other member Career Center's. For fiscal year 2023, the Apollo Career Center's allocations spent as the partnership lead for the Apollo Consortium for member Career Center's was as follows:

Grant/Program Name	ALN	Member	Amount Spent as Partnership Lead
Career and Technical Education Basic Grants to States	84.048A	Four County Career Center	$ 30,000
Career and Technical Education Basic Grants to States	84.048A	Penta Career Center	$ 30,000
Career and Technical Education Basic Grants to States	84.048A	Vanguard-Sentinel Career & Technology Center	$ 30,000
Career and Technical Education Basic Grants to States	84.048A	Vantage Career Center	$ 30,000

Julian & Grube

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Apollo Career Center
Allen County
3325 Shawnee Road
Lima, Ohio 45806

To the Members of the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Apollo Career Center, Allen County, Ohio, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Apollo Career Center's basic financial statements, and have issued our report thereon dated December 8, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Apollo Career Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Apollo Career Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Apollo Career 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 Apollo Career 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. 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 Apollo Career Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Julian & Grube, Inc.

Julian & Grube, Inc.
December 8, 2023

Julian & Grube

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

Apollo Career Center
Allen County
3325 Shawnee Road
Lima, Ohio 45806

To the Members of the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Apollo Career Center's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Apollo Career Center's major federal programs for the fiscal year ended June 30, 2023. The Apollo Career Center's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

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

We are required to be independent of the Apollo Career 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 Apollo Career 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 Apollo Career Center's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Apollo Career 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 Apollo Career 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 Apollo Career 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 "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Julian & Grube, Inc.

Julian & Grube, Inc.
December 8, 2023

APOLLO CAREER CENTER
ALLEN COUNTY, OHIO

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023

1. SUMMARY OF AUDITOR'S RESULTS		
(d)(1)(i)	*Type of Financial Statement Opinion*	Unmodified
*(d)(1)(*ii)	*Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?*	No
(d)(1)(ii)	*Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?*	No
(d)(1)(iii)	*Was there any reported material noncompliance at the financial statement level (GAGAS)?*	No
(d)(1)(iv)	*Were there any material weaknesses in internal control reported for major federal programs?*	No
(d)(1)(iv)	*Were there any significant deficiencies in internal control reported for major federal programs?*	No
(d)(1)(v)	*Type of Major Program's Compliance Opinion*	Unmodified
(d)(1)(vi)	*Are there any reportable findings under 2 CFR §200.516(a)?*	No
(d)(1)(vii)	*Major Program(s) (listed):*	Student Financial Assistance Cluster; Career and Technical Education-Basic Grants to States (ALN 84.048)
(d)(1)(viii)	*Dollar Threshold: Type A/B Programs*	Type A: > $750,000 Type B: all others
(d)(1)(ix)	*Low Risk Auditee under 2 CFR § 200.520?*	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

Apollo CAREER CENTER

Keith Horner, Superintendent
Maria Rellinger, Treasurer/CFO
Nicholas Sammetinger, High School Principal
Tara Shepherd, Adult Education Director
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Apollo Career Center will prepare students to be next ready to have a positive impact in our community.

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

Finding Number	Year Initially Occurred	Finding Summary	Status	Additional Information
2022-001	2022	Material Weakness - Financial Statement Presentation – The financial statements and related notes required adjustments to properly report the activity.	Corrected	N/A

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OHIO AUDITOR OF STATE
KEITH FABER

APOLLO CAREER CENTER

ALLEN 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 2/29/2024

88 East Broad Street, Columbus, Ohio 43215
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