OHIO AUDITOR OF STATE
KEITH FABER

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY
JUNE 30, 2023

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Bridgeport Exempted Village School District
Belmont County
55781 National Road
Bridgeport, Ohio 43912

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bridgeport Exempted Village School District, Belmont County, Ohio (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bridgeport Exempted Village School District, Belmont County, Ohio as of June 30, 2023, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Elementary and Secondary School Emergency Relief (ESSER) funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension and Other Post-Employment Benefit Liabilities and Pension and Other Post-Employment Benefit Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule 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 May 10, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

May 10, 2024

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

Financial Highlights

Key financial highlights for fiscal year 2023 are as follows:

- In total, net position of governmental activities increased $703,584 which represents an 6.67% increase from 2022's net position.

- General revenues accounted for $9,109,060 in revenue or 69.43% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for $4,010,159 or 30.57% of total revenues of $13,119,219.

- The District had $12,415,635 in expenses related to Governmental Activities; $4,010,159 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of $9,109,060 were adequate to provide for these programs.

- The District has three major governmental funds: the General Fund, Debt Service Fund, and Elementary and Secondary School Emergency Relief (ESSER) fund. The General Fund had $9,600,022 in revenues and other financing sources and $9,767,082 in expenditures and other financing uses. During fiscal year 2023, the General Fund's fund balance decreased $167,060 from $4,657,522 to $4,490,462.

- The ESSER fund had $1,538,093 in revenues and $1,591,794 in expenditures. During fiscal year 2023, the ESSER fund's fund balance decreased $53,701 from a deficit of $1,750 to a deficit of $55,451.

- The Debt Service Fund had $343,109 in revenues and $298,009 in expenditures. During fiscal year 2023, the Debt Service Fund's fund balance increased $45,100 from $993,155 to $1,038,255.

Using the Basic Financial Statements

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District'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 District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the General Fund, Debt Service Fund, and ESSER Fund are the only governmental funds reported as major funds.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

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

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

In the Statement of Net Position and Statement of Activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, and food service operations.

The District's Statement of Net Position and Statement of Activities can be found on pages 17-18 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 14. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General Fund, Debt Service Fund, and ESSER fund.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 19-24 of this report.

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for certain scholarship programs. This activity is presented as a custodial fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages 25 and 26. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 27-69 of this report.

Required Supplementary Information

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

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The District as a Whole

The Statement of Net Position provides the perspective of the District as a whole. Net capital assets and long-term liabilities for 2022 have been restated to reflect the implementation of GASB Statement No. 96 (see Note 3.A.). The table below provides a summary of the District's net position at June 30, 2023 and June 30, 2022 as restated.

Net Position

	Governmental Activities 2023	Restated Governmental Activities 2022
Assets		
Current and other assets	$ 10,328,509	$ 10,360,304
Net OPEB asset	859,664	702,028
Capital assets, net	17,573,415	17,430,004
Total assets	28,761,588	28,492,336
Deferred Outflows of Resources		
Pension	2,747,248	2,787,759
OPEB	316,864	355,262
Total deferred outflows of resources	3,064,112	3,143,021
Liabilities		
Current liabilities	1,474,999	1,336,177
Long-term liabilities:		
Due within one year	307,178	425,504
Due in more than one year:		
Net pension liability	9,792,219	5,820,228
Net OPEB liability	637,679	830,323
Other amounts	3,879,766	4,165,299
Total liabilities	16,091,841	12,577,531
Deferred Inflows of Resources		
Property taxes levied for next year	2,083,565	2,411,699
Unamortized deferred charges on debt refunding	32,694	36,578
Pension	882,782	4,681,241
OPEB	1,486,644	1,383,718
Total deferred inflows of resources	4,485,685	8,513,236
Net Position		
Net investment in capital assets	13,427,040	13,355,426
Restricted	2,290,282	1,533,165
Unrestricted (deficit)	(4,469,148)	(4,344,001)
Total net position	$ 11,248,174	$ 10,544,590

The Net Pension Liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the Net Pension Liability, and the Net OPEB Liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the Net OPEB Asset.

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

Under the new standards required by GASB 68 and 75, the Net Pension Liability and Net OPEB Liability equals the District's proportionate share of each plan's collective:

1. Present value of estimated future pension 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 or OPEB. GASB noted that the unfunded portion of this pension and OPEB 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 liabilities since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension and OPEB benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The 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 pension system. In Ohio, there is no legal means to enforce the unfunded liabilities of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the 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 Net OPEB Liability. As explained above, changes in pension and OPEB benefits, contribution rates, and return on investments affect the balance of the Net Pension Liability and Net OPEB Liability but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the Net Pension Liability and 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 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and OPEB expense for their proportionate share of each plan's *change* in Net Pension Liability and Net OPEB Liability not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. On June 30, 2023, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $11,248,174.

Current and other assets remained comparable to the prior year, increasing less than 0.5%

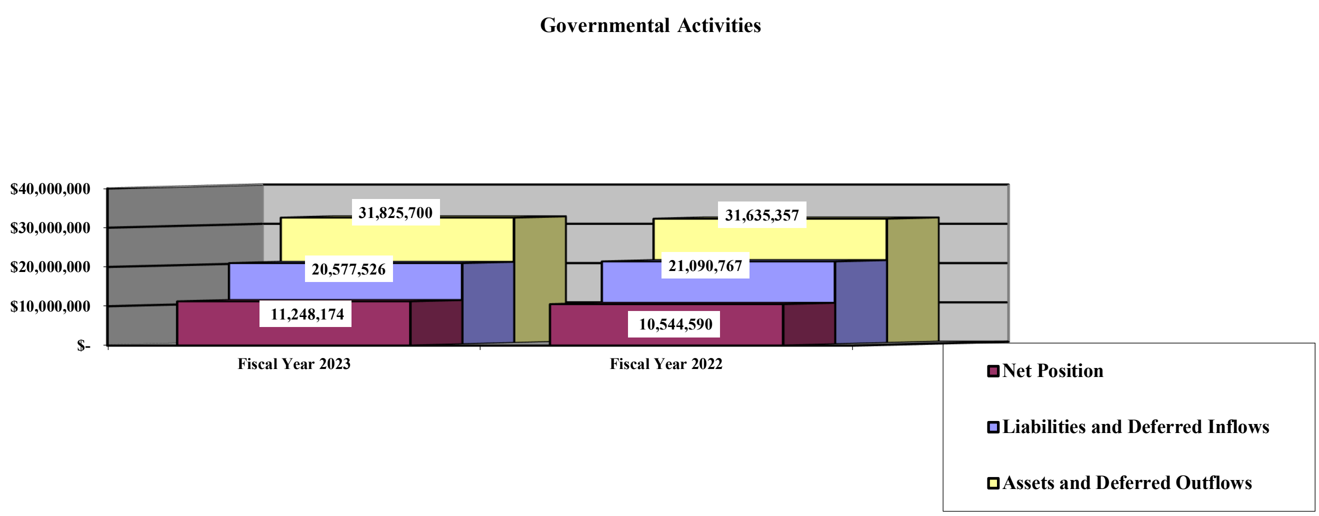
At year-end, capital assets represented 61.10% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, and intangible right to use computer software. The net investment in capital assets at June 30, 2023, was $13,427,040. These capital assets are used to provide services to the students and are not available for future spending.

Current liabilities increased due to contracts payable related to a roof replacement project at the K-12 building.

Long-term liabilities increased in large part to a substantial increase in the Net Pension Liability. The Net Pension Liability increased $3,971,991 or 68.24% and deferred inflows of resources related to pension decreased $3,798,459. These changes were the result of changes at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS). Primarily, net investment income on investments at both pension systems were negative for the fiscal year 2022 measurement date that are used for the fiscal year 2023 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous fiscal year's large positive investment returns. The District's Net OPEB Liability decreased slightly from the prior year. The District's net pension and net OPEB liabilities are outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions and OPEB to District employees, not the District.

A portion of the District's net position, $2,290,282 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of $4,469,148.

The graph below illustrates the governmental activities assets and deferred inflows, liabilities and deferred outflows and net position at June 30, 2023 and 2022.



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

Change in Net Position

Revenues	Governmental Activities 2023	Governmental Activities 2022
Program revenues:		
Charges for services and sales	$ 308,664	$ 297,633
Operating grants and contributions	3,599,978	3,282,438
Capital grants and contributions	101,517	-
General revenues:		
Property taxes	3,024,968	2,931,551
Grants and entitlements	5,874,767	5,692,678
(Decrease) in fair value of investments	(78,068)	(18,579)
Investment earnings	126,954	13,799
Miscellaneous	160,439	93,555
Total revenues	13,119,219	12,293,075
Expenses		
Program expenses:		
Instruction:		
Regular	4,961,599	4,014,187
Special	1,978,463	1,729,079
Vocational	94,540	158,473
Other	266,972	198,876
Support services:		
Pupil	674,580	730,709
Instructional staff	477,123	539,461
Board of education	71,656	65,314
Administration	998,497	865,840
Fiscal	388,735	344,880
Business	83,624	55,127
Operations and maintenance	1,194,997	1,390,477
Pupil transportation	343,341	340,486
Central	2,088	2,088
Operation of non-instructional services:		
Food service operations	468,771	487,224
Other non-instructional services	13,981	20,493
Extracurricular activities	305,957	294,447
Interest and fiscal charges	90,711	102,657
Total expenses	12,415,635	11,339,818
Change in net position	703,584	953,257
Net position at beginning of year	10,544,590	9,591,333
Net position at end of year	$ 11,248,174	$ 10,544,590

Governmental Activities

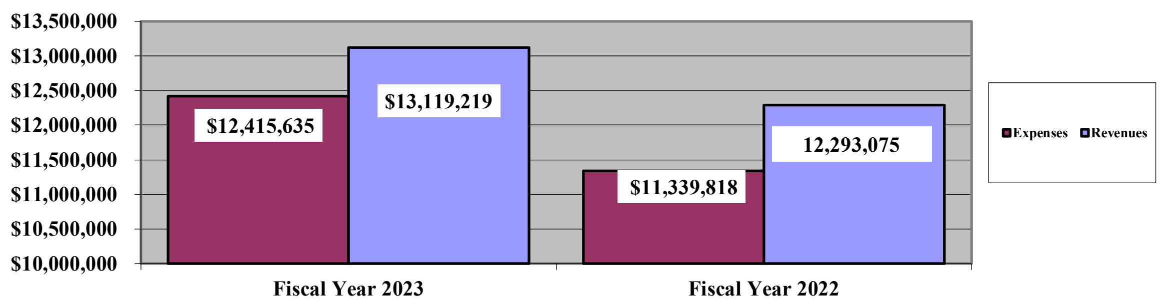
Net position of the District's Governmental Activities increased $703,584. Total governmental expenses of $12,415,635 were offset by program revenues of $4,010,159 and general revenues of $9,109,060. Program revenues supported 32.30% of the total governmental expenses.

Total revenues increased $826,144 or 6.72%. The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These revenue sources represent 67.84% of total governmental revenue. Property taxes increased $93,417 primarily due to fluctuations in the amount of property taxes collected and available as advance at year-end from the County Auditor. This amount is recorded as revenue. Total tax advances available at June 30, 2023 and June 30, 2022, were $404,364 and $364,587, respectively. These amounts can vary upon when the tax bills are sent. Operating grants and contributions increased primarily due to increased federal grants during the fiscal year. Capital grants and contributions increased due to the School Safety Grant that was received during the fiscal year. Miscellaneous revenue increased due to more miscellaneous grants received in fiscal year 2023.

Overall, expenses of the Governmental Activities increased $1,075,817 or 9.49%. This increase is primarily the result of an increase in pension expense. Pension expense increased approximately $1,008,365. This increase was the result of an increase in expenses incurred at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS) due to a decrease in net investment income on investments compared to previous years.

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

Governmental Activities - Revenues and Expenses



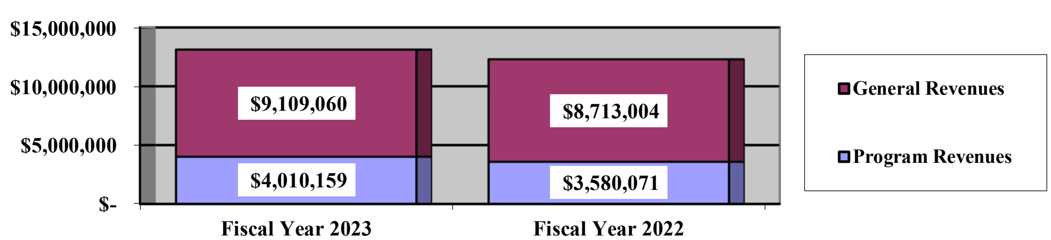
As stated above, fluctuations in the pension expense reported under GASB 68 and OPEB expense reported under GASB 75 make it difficult to compare financial information between years. Pension and OPEB expense is a component of program expenses reported on the Statement of Activities. The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for Governmental Activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services 2023	Net Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2022
Program expenses				
Instruction:				
Regular	$ 4,961,599	$ 3,622,992	$ 4,014,187	$ 2,912,514
Special	1,978,463	913,878	1,729,079	691,144
Vocational	94,540	33,724	158,473	95,485
Other	266,972	129,598	198,876	161,307
Support services:				
Pupil	674,580	418,288	730,709	488,913
Instructional staff	477,123	212,775	539,461	373,612
Board of education	71,656	71,656	65,314	65,314
Administration	998,497	998,497	865,840	865,840
Fiscal	388,735	375,554	344,880	344,880
Business	83,624	76,199	55,127	55,127
Operations and maintenance	1,194,997	902,353	1,390,477	1,137,933
Pupil transportation	343,341	333,880	340,486	340,486
Central	2,088	2,088	2,088	2,088
Operation of non-instructional services:				
Food service operations	468,771	7,469	487,224	(100,207)
Other non-instructional services	13,981	7,231	20,493	14,514
Extracurricular activities	305,957	208,583	294,447	208,140
Interest and fiscal charges	90,711	90,711	102,657	102,657
Total expenses	$ 12,415,635	$ 8,405,476	$ 11,339,818	$ 7,759,747

The dependence upon tax and other general revenues for governmental activities is apparent; 64.37% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 67.70%. The graph below presents the governmental activities revenue for fiscal years 2023 and 2022.

Governmental Activities - General and Program Revenues



The District's Funds

The District's governmental funds reported a combined fund balance of $6,034,858, which is more than last year's fund balance of $5,977,943. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2023, and 2022.

	Fund Balance June 30, 2023	Fund Balance June 30, 2022	Change	Percentage Change
General	$ 4,490,462	$ 4,657,522	$ (167,060)	(3.59) %
ESSER	(55,451)	(1,750)	(53,701)	3,068.63 %
Debt Service	1,038,255	993,155	45,100	4.54 %
Nonmajor Governmental	561,592	329,016	232,576	70.69 %
Total	$ 6,034,858	$ 5,977,943	$ 56,915	0.95 %

General Fund

The District's General Fund balance decreased $167,060. The table following assists in illustrating the financial activities and change in fund balance of the General Fund.

	2023 Amount	2022 Amount	Net Change	Percentage Change
Revenues				
Property taxes	$ 2,524,355	$ 2,417,707	$ 106,648	4.41 %
Tuition and fees	135,639	178,444	(42,805)	(23.99) %
Investment earnings	118,013	6,666	111,347	1,670.37 %
Intergovernmental	6,616,194	6,385,896	230,298	3.61 %
Other revenues	105,821	151,921	(46,100)	(30.34) %
Total	$ 9,500,022	$ 9,140,634	$ 359,388	3.93 %
Expenditures				
Instruction	$ 5,559,599	$ 4,778,910	$ 780,689	16.34 %
Support services	3,777,070	3,692,726	84,344	2.28 %
Non-instructional services	7,431	8,176	(745)	(9.11) %
Extracurricular activities	189,013	227,221	(38,208)	(16.82) %
Facilities acquisition and construction	-	271,814	(271,814)	(100.00) %
Debt service	133,969	131,162	2,807	2.14 %
Total	$ 9,667,082	$ 9,110,009	$ 557,073	6.11 %

General Fund revenues increased $359,388 or 3.93% during fiscal year 2023. Property taxes increased $106,648 or 4.41%, due to fluctuations in the amount of property taxes collected and available as advance at year-end from the County Auditor. This amount is recorded as revenue. General Fund tax advances available at June 30, 2023 and June 30, 2022 were $342,732 and $309,593, respectively. These amounts can vary upon when the tax bills are sent. Investment earnings increased $111,347 primarily due to higher interest rates on investments. Other revenues increased due to increased miscellaneous grants received in fiscal year 2023. Tuition and fees decreased due to lower open enrollment revenue. Intergovernmental revenue increased due to additional funding from the State of Ohio in the form of foundation payments.

General Fund expenditures increased $557,073 or 6.11% during fiscal year 2023. The increase was attributed primarily to expenditures related to regular instruction and special instruction. Facilities acquisition and construction expenditures decreased due to a decrease in fieldhouse expenditures.

Elementary and Secondary School Emergency Relief (ESSER) Fund

The ESSER fund had $1,538,093 in revenues and $1,591,794 in expenditures. During fiscal year 2023, the ESSER Fund's fund balance decreased $53,701 from a deficit of $1,750 to a deficit of $55,451.

Debt Service Fund

The Debt Service Fund is a major fund of the District and accounts for the accumulation of resources (primarily property tax revenue) for the payment of principal and interest on the District's bond obligations. The Debt Service Fund had $343,109 in revenues and $298,009 in expenditures. During fiscal year 2023, the Debt Service Fund's fund balance increased $45,100 from $993,155 to $1,038,255.

General Fund Budgeting Highlights

The District'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 budgeted revenues and other financing sources of $9,600,000 were left the same in the final budget. Actual revenues and other financing sources for fiscal year 2023 were $9,536,718, which is a $63,282 decrease from final budgeted revenues and other financing sources. General Fund original appropriations (appropriated expenditures including other financing uses) of $9,506,427 was less than the final appropriations of $9,806,427. The actual budget basis expenditures and other financing uses for fiscal year 2023 totaled $9,778,664.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2023, the District had $17,573,415 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, and intangible right to use assets. The 2022 amounts have been restated to include intangible right-to-use computer software due to the implementation of GASB Statement No. 96. The table that follows shows June 30, 2023 balances compared to June 30, 2022 as restated:

Capital Assets at June 30
(Net of Depreciation)

	Governmental Activities	
	2023	Restated 2022
Land	$ 819,583	$ 819,583
Construction in progress	409,202	-
Land improvements	634,966	673,362
Building and improvements	14,883,407	15,082,362
Furniture and equipment	419,211	413,734
Vehicles	404,271	435,413
Intangible right to use:		
Software	2,775	5,550
Total	$ 17,573,415	$ 17,430,004

The overall increase in capital assets of $143,411 is due to additions of $734,299 being more than depreciation of $590,888. During fiscal year 2023, the District began new construction in progress.

See Note 8 in the notes to the basic financial statements for additional information on the District's capital assets.

Debt Administration

At June 30, 2023, the District had $3,445,262 in general obligation bonds, energy conservation bonds, financed purchase note payable, and subscription-based information technology arrangements (SBITA) payable. Of this total, $307,178 is due within one year and $3,138,084 is due in greater than one year. The 2022 amounts have been restated to include SBITA payable due to the implementation of GASB Statement No. 96. The table below summarizes the bonds outstanding.

Outstanding Debt, at Year End

	Governmental Activities 2023	Restated Governmental Activities 2022
Energy conservation bonds	$ 216,947	$ 244,355
Financed purchase obligations	1,030,573	1,211,389
General obligation bonds	2,195,000	2,395,000
SBITA payable	2,742	5,550
Total	$ 3,445,262	$ 3,856,294

See Note 9 in the notes to the basic financial statements for additional information on the District's debt administration.

Current Financial Related Activities

The vision of the District, in recognizing that it takes a community to raise a child, is to develop a collaboration with parents, school and community that will help students achieve their fullest potential. The Board of Education and Administration works diligently to provide the educational resources and personnel needed to provide excellent educational opportunities.

As the preceding information shows, the District relies heavily on State Foundation funding. Intergovernmental revenue from the State accounted for approximately 66% of all General Fund revenues in fiscal year 2023. With the Fair School Funding phase-in continuing with the most recent biennium, the District is hopeful to see a consistent increase in state revenue over the next two years.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Mr. Eric Meininger, Treasurer/CFO, Bridgeport Exempted Village School District, 55781 National Road, Bridgeport, Ohio 43912.

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	$ 6,463,637
Receivables:	
Property taxes	3,157,996
Accrued interest	20,223
Intergovernmental	655,686
Prepayments	26,597
Materials and supplies inventory	1,390
Inventory held for resale	2,980
Net OPEB asset	859,664
Capital assets:	
Nondepreciable capital assets	1,228,785
Depreciable capital assets, net	16,344,630
Capital assets, net	17,573,415
Total assets	28,761,588
Deferred outflows of resources:	
Pension	2,747,248
OPEB	316,864
Total deferred outflows of resources	3,064,112
Liabilities:	
Accounts payable	122,858
Contracts payable	409,202
Accrued wages and benefits payable	706,925
Intergovernmental payable	18,654
Pension and postemployment benefits payable	207,081
Accrued interest payable	10,279
Long-term liabilities:	
Due within one year	307,178
Due in more than one year:	
Net pension liability	9,792,219
Net OPEB liability	637,679
Other amounts due in more than one year	3,879,766
Total liabilities	16,091,841
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	2,083,565
Unamortized deferred charges on debt refunding	32,694
Pension	882,782
OPEB	1,486,644
Total deferred inflows of resources	4,485,685
Net position:	
Net investment in capital assets	13,427,040
Restricted for:	
Capital projects	536,739
OPEB	191,853
Classroom facilities maintenance	3,600
Debt service	1,118,238
Federally funded programs	44,245
Food service operations	59,672
Extracurricular	68,673
Other purposes	267,262
Unrestricted (deficit)	(4,469,148)
Total net position	$ 11,248,174

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction:					
Regular	$ 4,961,599	$ 141,252	$ 1,197,355	$ -	$ (3,622,992)
Special	1,978,463	-	1,064,585	-	(913,878)
Vocational	94,540	-	60,816	-	(33,724)
Other	266,972	-	137,374	-	(129,598)
Support services:					
Pupil	674,580	-	256,292	-	(418,288)
Instructional staff	477,123	-	264,348	-	(212,775)
Board of education	71,656	-	-	-	(71,656)
Administration	998,497	-	-	-	(998,497)
Fiscal	388,735	-	13,181	-	(375,554)
Business	83,624	-	7,425	-	(76,199)
Operations and maintenance	1,194,997	7,441	183,686	101,517	(902,353)
Pupil transportation	343,341	-	9,461	-	(333,880)
Central	2,088	-	-	-	(2,088)
Operation of non-instructional services:					
Food service operations	468,771	76,266	385,036	-	(7,469)
Other non-instructional services	13,981	-	6,750	-	(7,231)
Extracurricular activities	305,957	83,705	13,669	-	(208,583)
Interest and fiscal charges	90,711	-	-	-	(90,711)
Total governmental activities	$ 12,415,635	$ 308,664	$ 3,599,978	$ 101,517	(8,405,476)

General revenues:	
Property taxes levied for:	
General purposes	2,589,279
Debt service	314,019
Capital outlay	87,084
Classroom facilities maintenance	34,586
(Decrease) in fair value of investments	(78,068)
Grants and entitlements not restricted to specific programs	5,874,767
Investment earnings	126,954
Miscellaneous	160,439
Total general revenues	9,109,060
Change in net position	703,584
Net position at beginning of year	10,544,590
Net position at end of year	$ 11,248,174

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General	Elementary and Secondary School Emergency Relief (ESSER)	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	$ 4,871,907	$ -	$ 992,304	$ 599,426	$ 6,463,637
Receivables:					
Property taxes	2,619,516	-	398,858	139,622	3,157,996
Accrued interest	20,223	-	-	-	20,223
Interfund loans	145,028	-	-	-	145,028
Intergovernmental	2,132	609,664	-	43,890	655,686
Loans	25,003	-	-	-	25,003
Prepayments	26,597	-	-	-	26,597
Materials and supplies inventory	-	-	-	1,390	1,390
Inventory held for resale	-	-	-	2,980	2,980
Total assets	$ 7,710,406	$ 609,664	$ 1,391,162	$ 787,308	$ 10,498,540
Liabilities:					
Accounts payable	$ 71,028	$ 42,933	$ -	$ 8,897	$ 122,858
Contracts payable	-	409,202	-	-	409,202
Accrued wages and benefits payable	634,959	45,368	-	26,598	706,925
Intergovernmental payable	16,598	1,749	-	307	18,654
Pension and postemployment benefits payable	204,501	-	-	2,580	207,081
Interfund loans payable	-	110,413	-	34,615	145,028
Loan payable	-	-	-	25,003	25,003
Total liabilities	927,086	609,665	-	98,000	1,634,751
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	1,711,618	-	272,924	99,023	2,083,565
Delinquent property tax revenue not available	565,166	-	79,983	24,918	670,067
Intergovernmental revenue not available	-	55,450	-	3,775	59,225
Accrued interest not available	16,074	-	-	-	16,074
Total deferred inflows of resources	2,292,858	55,450	352,907	127,716	2,828,931
Fund balances:					
Nonspendable:					
Materials and supplies inventory	-	-	-	1,390	1,390
Prepaids	26,597	-	-	-	26,597
Long-term loans	25,003	-	-	-	25,003
Restricted:					
Debt service	-	-	1,038,255	-	1,038,255
Capital improvements	-	-	-	102,619	102,619
Classroom facilities maintenance	-	-	-	3,600	3,600
Food service operations	-	-	-	81,630	81,630
Federally funded programs	-	-	-	44,244	44,244
Extracurricular	-	-	-	68,673	68,673
Other purposes	-	-	-	267,262	267,262
Committed:					
Termination benefits	11,694	-	-	-	11,694
Assigned:					
Student instruction	43,519	-	-	-	43,519
Student and staff support	6,561	-	-	-	6,561
Unassigned (deficit)	4,377,088	(55,451)	-	(7,826)	4,313,811
Total fund balances	4,490,462	(55,451)	1,038,255	561,592	6,034,858
Total liabilities, deferred inflows and fund balances	$ 7,710,406	$ 609,664	$ 1,391,162	$ 787,308	$ 10,498,540

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

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

Total governmental fund balances		$ 6,034,858
Amounts reported for governmental activities on the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		17,573,415
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	670,067	
Intergovernmental receivable	59,225	
Interest receivable	16,074	
Total		745,366
Unamortized premiums on bonds issued are not recognized in the funds.		(261,960)
Unamortized deferred charges on refundings are not recognized in the funds.		(32,694)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(10,279)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows and outflows are not reported in the funds.		
Deferred outflows - pension	2,747,248	
Deferred inflows - pension	(882,782)	
Net pension liability	(9,792,219)	
Total		(7,927,753)
The net OPEB liability/asset is not due and payable/receivable in the current period; therefore, the liability/asset and related deferred inflows and outflows are not reported in the funds.		
Deferred outflows - OPEB	316,864	
Deferred inflows - OPEB	(1,486,644)	
Net OPEB asset	859,664	
Net OPEB liability	(637,679)	
Total		(947,795)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(2,195,000)	
Energy conservation bonds	(216,947)	
Financed purchase note payable	(1,030,573)	
SBITA Payable	(2,742)	
Compensated absences	(479,722)	
Total		(3,924,984)
Net position of governmental activities		$ 11,248,174

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

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

	General	Elementary and Secondary School Emergency Relief (ESSER)	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 2,524,355	$ -	$ 304,984	$ 118,860	$ 2,948,199
Intergovernmental	6,616,194	1,538,093	38,125	1,321,213	9,513,625
Investment earnings	118,013	-	-	945	118,958
Tuition and fees	135,639	-	-	-	135,639
Extracurricular	3,721	-	-	84,540	88,261
Rental income	4,314	-	-	-	4,314
Charges for services	-	-	-	78,558	78,558
Contributions and donations	13,523	-	-	28,101	41,624
Miscellaneous	162,331	-	-	7,342	169,673
(Decrease) in fair value of investments	(78,068)	-	-	-	(78,068)
Total revenues	9,500,022	1,538,093	343,109	1,639,559	13,020,783
Expenditures:					
Current:					
Instruction:					
Regular	3,846,035	541,626	-	174,713	4,562,374
Special	1,441,120	15,252	-	514,508	1,970,880
Vocational	91,758	-	-	-	91,758
Other	180,686	74,975	-	1,057	256,718
Support services:					
Pupil	665,439	-	-	144	665,583
Instructional staff	332,232	145,396	-	-	477,628
Board of education	69,712	-	-	-	69,712
Administration	977,776	-	-	-	977,776
Fiscal	371,319	7,250	6,209	2,271	387,049
Business	78,919	4,084	-	-	83,003
Operations and maintenance	963,105	91,576	-	132,079	1,186,760
Pupil transportation	318,568	-	-	-	318,568
Operation of non-instructional services:					
Food service operations	-	-	-	468,670	468,670
Other non-instructional services	7,431	-	-	6,550	13,981
Extracurricular activities	189,013	-	-	96,271	285,284
Facilities acquisition and construction	-	598,487	-	10,720	609,207
Debt service:					
Principal retirement	99,655	111,377	200,000	-	411,032
Interest and fiscal charges	34,314	1,771	91,800	-	127,885
Total expenditures	9,667,082	1,591,794	298,009	1,406,983	12,963,868
Excess of expenditures over revenues	(167,060)	(53,701)	45,100	232,576	56,915
Other financing sources (uses):					
Transfers in	100,000	-	-	43,102	143,102
Transfers (out)	(100,000)	-	-	(43,102)	(143,102)
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	(167,060)	(53,701)	45,100	232,576	56,915
Fund balances at beginning of year	4,657,522	(1,750)	993,155	329,016	5,977,943
Fund balances at end of year	$ 4,490,462	$ (55,451)	$ 1,038,255	$ 561,592	$ 6,034,858

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT 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		$ 56,915
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/amortization expense.		
Capital asset additions	734,299	
Current year depreciation	(590,888)	
Total		143,411
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property taxes	76,769	
Intergovernmental	12,726	
Accrued interest	8,941	
Total		98,436
Repayment of bond, financed purchase note payable, and SBITA principal is an expenditure in the funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:		
General obligation bonds	200,000	
Energy conservation bonds	27,408	
SBITA obligations	2,808	
Financed purchase note payable	180,816	
Total		411,032
In the statement of activities, interest is accrued on outstanding bonds, whereas in the funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported on the statement of activities:		
Decrease in accrued interest payable	2,166	
Amortization of bond premiums	31,124	
Amortization of deferred charges on debt refundings	3,884	
Total		37,174
Contractually required pension contributions are reported as expenditures in the funds; however, the statement of net position reports these amounts as deferred outflows.		918,051
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		(1,132,094)
Contractually required OPEB are reported as expenditures in the funds; however, the statement of net position reports these amounts as deferred outflows.		32,115
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability/asset are reported as OPEB expense in the statement of activities.		176,841
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the funds.		(38,297)
Change in net position of governmental activities		$ 703,584

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

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

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Total revenues	$ 9,600,000	$ 9,600,000	$ 9,535,480	$ (64,520)
Expenditures:				
Total expenditures	9,506,427	9,806,427	9,677,426	129,001
Excess of Revenues Over (Under) Expenditures	93,573	(206,427)	(141,946)	64,481
Other financing sources (uses):				
Transfers in	-	-	1,238	1,238
Transfers (out)	-	-	(101,238)	(101,238)
Total other financing sources (uses)	-	-	(100,000)	(100,000)
Net change in fund balance	93,573	(206,427)	(241,946)	(35,519)
Fund balance at beginning of year	5,287,217	5,287,217	5,287,217	-
Prior year encumbrances appropriated	6,427	6,427	6,427	-
Fund balance at end of year	$ 5,387,217	$ 5,087,217	$ 5,051,698	$ (35,519)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			**Variance with Final Budget Positive (Negative)**
	Original	**Final**	**Actual**	
Revenues:				
Total revenue	$ 1,500,000	$ 2,688,215	$ 1,114,832	$ (1,573,383)
Expenditures:				
Total expenditures	2,619,563	2,619,563	2,112,426	507,137
Net change in fund balance	(1,119,563)	68,652	(997,594)	(1,066,246)
Fund balance at beginning of year	(1,188,215)	(1,188,215)	(1,188,215)	-
Prior year encumbrances appropriated	1,119,563	1,119,563	1,119,563	-
Fund balance at end of year	$ (1,188,215)	$ -	$ (1,066,246)	$ (1,066,246)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023

	Custodial
Assets:	
Equity in pooled cash and cash equivalents	$ 10,852
Net position:	
Restricted for individuals	$ 10,852

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

		Custodial
Deductions:		
Scholarships awarded	$	1,500
Change in net position		(1,500)
Net position at beginning of year	$	12,352
Net position at end of year	$	10,852

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

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

The District was established in 1856 through the consolidation of existing land areas and districts. The District is staffed by 14 administrative, 37 non-certified employees and 67 certified full-time teaching personnel who provide services to approximately 800 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

The following organizations are described due to their relationship to the District:

JOINTLY GOVERNED ORGANIZATIONS

Belmont Harrison Vocational District
The Belmont Harrison Vocational District (the "District") is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The Board is comprised of representatives from the Boards of each participating district. The Board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. The District's students may attend the District. Each participating district's control is limited to its representation on the District's Board. To obtain financial information write to Belmont Harrison Vocational District, Mark Lucas, Treasurer, at 68090 Hammond Road, St. Clairsville, Ohio 43950.

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

Ohio Mid-Eastern Regional Education Service Agency Information Technology Center Regional Council of Governments

The District participates in the Ohio Mid-Eastern Regional Educational Service Agency Information Technology Center Regional Council of Governments (Council). The Council was created as a separate regional council of governments pursuant to State Statutes. The Council operates under the direction of a Board comprised of a representative from each participating district. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting, and designating management. Each participant's control is limited to its representation on the Board. The Council provides information technology and internet access to member districts, as well as cooperative purchasing programs. During fiscal year 2023, the total amount paid to the Council from the District was $32,864. To obtain financial information write to Ohio Mid-Eastern Regional Educational Service Agency, Treasurer, at 2230 Sunset Blvd., Suite 2, Steubenville, Ohio 43952.

Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (the "Coalition") is a jointly governed organization including over 100 districts in southeastern Ohio. The Coalition is operated by a Board which is comprised of fourteen members. The board members are comprised of one superintendent from each county elected by the districts within that county. The Coalition provides various in-service training for district administrative personnel; gathers data regarding conditions of education in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for district personnel. The Coalition is not dependent on the continued participation of the District and the District does not maintain an equity interest in or financial responsibility for the Coalition. The District's membership fee was $1,500 for fiscal year 2023.

Educational Regional Service System Region 12

The District participates in the Educational Regional Service System Region 12 (the "ERSS"), a jointly governed organization consisting of educational entities within Belmont, Carroll, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Monroe, Muskingum, Noble, and Tuscarawas counties. The purpose of ERSS is to provide support services to districts, community schools and chartered nonpublic schools within the region by supporting State and school initiatives and efforts to improve school effectiveness and student achievement with a specific reference to the provision of special education and related services. The ERSS is governed by an Advisory Council, which is the policymaking body for the educational entities within the region, who identifies regional need and priorities for educational services and develops corresponding policies to coordinate the delivery of services. They are also charged with the responsibility of monitoring the implementation of State and regional initiatives and school improvement efforts. The Advisory Council is made up of the director of the ERSS, the superintendent of each educational service center within the region, the superintendent of the region's largest and smallest district, the director and an employee from each education technology center and one representative of a four-year institution of higher education who is appointed by the Ohio Board of Regents, one representative of a two-year institution of higher education who is appointed by the Ohio Association of Community Colleges, three board of education members (one each from a city, exempted village and local district within the region) and one business representative. The degree of control exercised by any participating educational entity is limited to its representation on the Advisory Council. Financial information can be obtained from the Muskingum Valley Educational Service Center, 205 N Seventh Street, Zanesville, Ohio 43701.

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

PUBLIC ENTITY RISK POOL

Stark County School Council of Governments Health Benefit Plan
The Stark County School Council of Governments Health Benefit Plan (Council) is a shared risk pool created pursuant to State statute for the purpose of administering health care benefits. The Council is governed by an assembly which consists of one representative from each participating member. The assembly elects officers for one year terms to serve on the Board of Directors. The assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating members, based on the established premiums for the insurance plans. Each member reserves the right to terminate the plan in whole or in part, at any time. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract.

Ohio Association of School Business Officials Workers' Compensation Group Rating Program
The District participates in a group rating program for worker's compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers' Compensation Group Rating Program (the "Program") was established through the Ohio Association of School Business Officials (OASBO) as a group purchasing pool.

The Executive Director of the OASBO, or his designee, serves as coordinator of the Program. Each year, the participating districts pay an enrollment fee to the Program to cover the costs of administering the Program. Refer to Note 11.B. for further information on this group rating program.

B. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. The District has no proprietary funds.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically 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 plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Elementary and Secondary School Emergency Relief (ESSER) fund – The ESSER fund is used to account for emergency relief grants provided to school districts related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Debt service fund - The debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources when the government is obligated in some manner for payment.

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

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes 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 distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial funds account for scholarship programs for students where the District has no administrative involvement in the award process.

C. Basis of Presentation and Measurement Focus

Government-Wide Financial Statements - The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. 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 amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

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

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

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

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting.

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6).

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

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, interest, tuition, grants, student fees and rentals.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide Statement of Net Position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 12 and 13 for deferred outflows of resources related to net pension liability and net OPEB liability/asset, respectively. In addition, deferred inflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

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

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than custodial funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education.

TAX BUDGET

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Belmont County Budget Commission for rate determination.

ESTIMATED RESOURCES

By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. By July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered cash balances from the preceding year. The certificate of estimated resources may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts in the original and final certificate of estimated resources issued during fiscal year 2023.

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

APPROPRIATIONS

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund level of expenditures for all funds, which is the legal level of budgetary control. Prior to the passage of the annual appropriation resolution, the Board of Education may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control.

Any revisions that alter the total of any fund appropriation for all funds must be approved by the Board of Education.

The Board of Education may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. Supplemental appropriations were legally enacted by the Board during fiscal year 2023.

The budget figures which appear in the statement of budgetary comparisons represent the original and final appropriation amounts that were approved by the Board prior to June 30, 2023. Formal budgetary integration is employed as a management control device during the year for all funds other than custodial funds, consistent with statutory provisions.

ENCUMBRANCES

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Expenditures plus encumbrances may not legally exceed appropriations.

LAPSING OF APPROPRIATIONS

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not re-appropriated.

F. Cash and Investments

To improve cash management, cash received by the District is pooled in a central bank account. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District’s records. Each fund’s interest in the pool is presented as “equity in pooled cash and cash equivalents” on the basic financial statements.

During 2023, the District has invested funds in Negotiable CD’s, Federal Home Loan Bank (FHLB) securities, Federal Farm Credit Bank (FFCB) securities, U.S. government money market mutual funds, US Treasury Notes, US Treasury Bonds, and the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, investments are reported at fair value which is based on quoted market prices.

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

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

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, 24 hours notice in advance of all deposits and withdrawals exceeding $100 million is encouraged. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. By policy of the Board of Education, investment earnings are assigned to the general fund, the auxiliary services special revenue fund, and the private-purpose trust funds. The food service fund receives interest earnings based upon Federal mandate. Interest revenue credited to the general fund during fiscal year 2023 amounted to $118,013, which includes $24,965 assigned from other District funds.

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

An analysis of the District's investment account at year end is provided in Note 4.

G. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

H. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

I. Capital Assets

General capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position, but are not reported in the fund financial statements.

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deductions during the year. Donated capital assets are recorded at their acquisition value. The District maintains a capitalization threshold of $5,000. 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. The District does not possess infrastructure.

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

Description	Governmental Activities Estimated Lives
Land improvements	20 - 50 years
Buildings and improvements	20 - 50 years
Furniture and equipment	5 - 50 years
Intangible right to use	
Computer Software	3 years
Vehicles	10 years

The District is reporting intangible right-to-use assets related to computer software. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

J. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/interfund loans payable". Long-term interfund loans that will not be repaid within the next fiscal year are classified as "loans to/from other funds" and are shown as nonspendable fund balances on the balance sheet because they are not spendable, available resources. Interfund loans are eliminated in the governmental activities column on the Statement of Net Position.

K. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave liability to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at June 30, 2022, by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for severance on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service and all employees with at least twenty years of service at any age were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

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

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2023 and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

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

For governmental fund financial statements compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Unamortized Bond Premiums and Deferred Charges on Refunding

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. On the governmental fund financial statements, bond premiums are recognized in the current period. Bond premiums are presented as an addition to the face amount of the bonds. A reconciliation between the bonds face value and the amount reported on the Statement of Net Position is presented in Note 9.A.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter and is presented as a deferred inflow or outflow of resources on the Statement of Net Position.

N. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally 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.

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

O. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

P. Estimates

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

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

Q. Interfund Activity

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

R. Pensions/Other Postemployment Benefits (OPEB)

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

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 fiscal year 2023.

T. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

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

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

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

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

These changes were incorporated in the District's fiscal year 2023 financial statements. The District recognized $5,550 in governmental activities in subscriptions payable at July 1, 2022; however, this entire amount was offset by the intangible asset, right to use computer software.

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

B. Deficit Fund Balances

Fund balances at June 30, 2023 included the following individual fund deficits:

Major funds	Deficit
ESSER	55,451

Nonmajor funds	Deficit
Public School Preschool	$ 407
IDEA Part B	3,020
School Improvement Stimulus A	349
Title I	4,050
Total Nonmajor funds	7,826

The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits 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 or deposit accounts including, but not limited to, passbook accounts.

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

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

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

7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits with Financial Institutions

At June 30, 2023, the carrying amount of all District deposits was $1,652,433 and the bank balance of all District deposits was $1,853,559. Of the bank balance, $250,000 was covered by the FDIC and $1,603,559 was covered by the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2023, the District's financial institutions were approved for a collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

B. Investments

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

Measurment/	Measurment	Investment Maturities				
Investment type	Value	6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 Months
Negotiable CD	$ 148,967	$ -	$ -	$ -	$ -	$ 148,967
FFCB	616,080	73,345	73,502	39,589	42,467	387,177
FHLB	495,665	-	73,866	72,845	95,960	252,994
US Treasury Note	1,628,456	222,840	219,548	143,833	118,728	923,507
US Treasury Bond	1,072,912	148,776	73,190	143,730	263,741	443,475
Money Market	13,771	13,771	-	-	-	-
Amorized cost:						
STAR Ohio	846,205	846,205	-	-	-	-
Total	$ 4,822,056	$ 1,304,937	$ 440,106	$ 399,997	$ 520,896	$ 2,156,120

The weighted average maturity of investments is 1.96 years.

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The District's investments in money market funds and negotiable CD's are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities (FHLB and FFCB), US treasury bonds, and US treasury notes are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs). As discussed in Note 2.F, investments in STAR Ohio are measured at their net asset value per share.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investments in federal agency securities (FHLB and FFCB) are rated AA+ by Standard and Poor's and Aaa by Moody's Investor Services. The District's investments in US Treasury Bonds and Notes are rated AA+ and Aaa by Standard and Poor's and Moody's Investor Services respectively.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

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

Measurement/ Investment type	Measurement Value	% of Total
Negotiable CD	$ 148,967	3.09%
FFCB	616,080	12.78%
FHLB	495,665	10.28%
US Treasury Note	1,628,456	33.76%
US Treasury Bond	1,072,912	22.25%
Money Market	13,771	0.29%
Amortized cost:		
STAR Ohio	846,205	17.55%
Total	$ 4,822,056	100.00%

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the Statement of Net Position as of June 30, 2023:

Cash and investments per note	
Carrying amount of deposits	$ 1,652,433
Investments	4,822,056
Total	$ 6,474,489
Cash and investments per statement of net position	
Governmental activities	$ 6,463,637
Custodial funds	10,852
Total	$ 6,474,489

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund balances at June 30, 2023 as reported on the fund statements, consist of the following individual short-term interfund loans receivable and payable:

	Interfund Receivable
Interfund Payable	General Fund
ESSER	$110,413
Nonmajor governmental funds	34,615
Totals	$145,028

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. The interfund balances are expected to be repaid within one year. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

B. The District had long-term interfund loans that have been classified as "loan receivable/payable". These loans are not expected to be repaid in the subsequent year. The District had the following loans outstanding at fiscal year-end:

Loan from	Loan to	Amount
General fund	Nonmajor governmental funds	$ 25,003

The long-term interfund loans are not expected to be repaid within the next year. Long-term interfund loan balances between governmental funds are eliminated on the government-wide financial statements.

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

	Amount
Transfer from General fund to:	
General fund (Termination Benefits Fund)	$ 100,000
Transfer from nonmajor governmental funds to:	
Nonmajor governmental funds	43,102
Total	$ 143,102

NOTE 5 - INTERFUND TRANSACTIONS – (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported in the Statement of Activities. All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District 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 property and public utility property. Real property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed values as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Public utility real and personal property taxes received in calendar year 2023 became a lien on December 31, 2021, were levied after April 1, 2022, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Belmont County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available as an advance at June 30, 2023 was $342,732 in the General Fund, $45,951 in the Debt Service Fund, and $15,681 in the Permanent Improvement Fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2022 was $309,593 in the General Fund, $40,572 in the Debt Service Fund, and $14,422 in the Permanent Improvement Fund (a nonmajor governmental fund). 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.

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.

NOTE 6 - PROPERTY TAXES – (Continued)

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
Agricultural/residential and other real estate	$ 96,575,930	86.29%	$ 96,343,940	85.92%
Public utility personal	15,342,760	13.71%	15,785,910	14.08%
Total	$ 111,918,690	1.00	$ 112,129,850	100.00%
Tax rate per $1,000 of assessed valuation	$44.40		$44.40	

NOTE 7 - RECEIVABLES

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

Governmental activities:	
Property Taxes	$ 3,157,996
Accrued Interest	20,223
Intergovernmental	655,686
Total	$ 3,833,905

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected in the subsequent year.

NOTE 8 - CAPITAL ASSETS

Due to the implementation of GASB Statement No. 96 (see Note 3.A for detail), the District has reported capital assets for the right to use computer software which is reflected in the schedule below. Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Restated Balance 06/30/22	Additions	Deductions	Balance 06/30/23
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	$ 819,583	$ -	$ -	$ 819,583
Construction in progress	-	409,202	-	409,202
Total capital assets, not being depreciated/amortized	819,583	409,202	-	1,228,785
Capital assets, being depreciated/amortized:				
Land improvements	1,150,871	-	-	1,150,871
Buildings and improvements	21,162,441	229,176	-	21,391,617
Furniture and equipment	960,924	47,520	-	1,008,444
Vehicles	998,602	48,401	-	1,047,003
Intangible right to use:				
Software	5,550	-	-	5,550
Total capital assets, being depreciated/amortized	24,278,388	325,097	-	24,603,485
Less: accumulated depreciation/amortization				
Land improvements	(477,509)	(38,396)	-	(515,905)
Buildings and improvements	(6,080,079)	(428,131)	-	(6,508,210)
Furniture and equipment	(547,190)	(42,043)	-	(589,233)
Vehicles	(563,189)	(79,543)	-	(642,732)
Intangible right to use:				
Software	-	(2,775)	-	(2,775)
Total accumulated depreciation/amortization	(7,667,967)	(590,888)	-	(8,258,855)
Governmental activities capital assets, net	$ 17,430,004	$ 143,411	$ -	$ 17,573,415

NOTE 8 - CAPITAL ASSETS – (Continued)

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

Instruction:	
Regular	$ 361,351
Special	23,814
Vocational	2,736
Other	4,763
Support services:	
Pupil	4,763
Instructional staff	3,318
Board of education	1,937
Administration	5,393
Fiscal	1,937
Operations and maintenance	51,559
Pupil transportation	74,062
Central	2,088
Food service operations	32,614
Extracurricular activities	20,553
Total depreciation/amortization expense	$ 590,888

NOTE 9 - LONG-TERM OBLIGATIONS

A. Due to the implementation of GASB Statement No. 96 (see Note 3.A), the District has reported obligations for SBITAs payable which are reflected in the schedule below. Changes in the District's long-term obligations during the year are as follows:

	Restated Balance 06/30/22	Additions	Reductions	Balance 06/30/23	Amount Due in One Year
Governmental activities:					
General obligation bonds:					
Series 2019 Refunding Bonds:					
Current interest bonds	$ 2,395,000	$ -	$ (200,000)	$ 2,195,000	$ 205,000
Series 2015 energy conservation bonds	244,355	-	(27,408)	216,947	28,250
Financed purchase note payable	1,211,389	-	(180,816)	1,030,573	71,186
SBITA payable	5,550	-	(2,808)	2,742	2,742
Compensated absences payable	441,425	125,525	(87,228)	479,722	-
Net pension liability	5,820,228	3,971,991	-	9,792,219	-
Net OPEB liability	830,323	-	(192,644)	637,679	-
Total governmental activities long-term liabilities	$ 10,948,270	$ 4,097,516	$ (690,904)	14,354,882	$ 307,178
Add: Unamortized premium on bonds				261,960	
Total on statement of net position				$ 14,616,842	

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Compensated absences: Compensated absences will be paid from the fund from which the employees' salaries are paid, which primarily consist of the general fund and the following non-major governmental funds: food service, IDEA part B, Title I, and Improving teacher quality.

Net pension liability: The District's net pension liability is described in Note 12. The District pays obligations related to employee compensation from the fund benefitting from their service.

Net OPEB liability: The District's net OPEB liability is described in Note 13. The District pays obligations related to employee compensation from the fund benefitting from their service.

B. Series 2019 Refunding Bonds

On September 17, 2019 the District issued general obligation bonds to advance refund the remaining balance of the Series 2012 refunding bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the Statement of Net Position. The balance of the refunded Series 2012 current interest bonds at June 30, 2023, is $2,375,000.

The Series 2019 refunding bonds are general obligations of the District for which full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations are accounted for on the Statement of Net Position. Payments of principal and interest relating to this bond are recorded as an expenditure of the debt service fund. This issue is comprised of current interest bonds, par value $2,795,000. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity date stated in the issue is December 1, 2031.

The reacquisition price was less than net carrying amount (including unamortized premiums and unamortized deferred charges on the Series 2012 bond issue) of the old debt by $47,259. This amount is being amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The unamortized portion at June 30, 2023 is reported as a deferred inflow of resources on the Statement of Net Position.

C. Series 2015 Energy Conservation Bonds

On October 21, 2015 the District entered into an agreement with Energy Optimizers, USA for the design and implementation of energy conservation measures within the District in the amounts of $403,203. In order to fund this project, the District issued energy conservation bonds. These bonds carry an interest rate of 3.05% and are expected to mature on June 1, 2030. The bonds will be paid using funds from the general fund.

D. Financed Purchase Note Payable

During fiscal year 2020, the District entered into a financed purchase agreement for iPads. The financed purchase matured on August 15, 2022 and carried a 1.59% interest rate. The financed purchase was paid using funds from the ESSER fund.

During fiscal year 2020, the District entered into a financed purchase agreement for stadium and other improvements at Perkins Field the District's football field. The finance purchase matures on December 1, 2035 and carries a 2.50% interest rate. The financed purchase will be paid using funds from the general fund.

E. SBITAs Payable

The District has entered into a SBITA for the right-to-use certain computer software. Due to the implementation of GASB Statement No. 96, the District reports an intangible capital asset and corresponding SBITA liability for the future scheduled payments under the arrangement. The District has obtained the right to use computer software through the following SBITA:

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Purpose	SBITA Commencement Date	Term (Years)	SBITA End Date	Payment Method
Computer software	2021	3	2024	Annual

SBITA payments are paid from the general fund. The following is a schedule of future payments under the SBITAs:

Fiscal Year	Principal	Interest	Total
2024	$ 2,742	$ 66	$ 2,808
Total	$ 2,742	$ 66	$ 2,808

F. Future Debt Service Requirements

The following is a summary of the future debt service requirements to maturity for the general obligation bonds and financed purchase notes payable:

Fiscal Year	Series 2019 Refunding Bonds			Series 2015 Energy Conservation Bonds		
Year Ended	Principal	Interest	Total	Principal	Interest	Total
2024	205,000	83,700	288,700	28,250	6,403	34,653
2025	225,000	75,100	300,100	29,118	5,535	34,653
2026	220,000	66,200	286,200	30,013	4,640	34,653
2027	230,000	57,200	287,200	30,936	3,717	34,653
2028	245,000	47,700	292,700	31,887	2,766	34,653
2029-2032	1,070,000	87,800	1,157,800	66,743	2,562	69,305
Total	$ 2,195,000	$ 417,700	$ 2,612,700	$ 216,947	$ 25,623	$ 242,570

Fiscal Year	Financed Purchase Note Payable		
Year Ended	Principal	Interest	Total
2024	71,186	25,322	96,508
2025	72,976	23,531	96,507
2026	74,812	21,696	96,508
2027	76,694	19,814	96,508
2028	78,624	17,884	96,508
2029-2033	423,800	58,739	482,539
2034-2036	232,481	8,790	241,271
Total	$ 1,030,573	$ 175,776	$ 1,206,349

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

G. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2023, are a voted debt margin of $8,934,942 (including available funds of $1,038,255), an unvoted debt margin of $112,130, and an energy conservation debt margin of $792,222.

NOTE 10 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn 5 to 15 days of vacation per year, depending upon length of service. Director of maintenance and Superintendent earn 20 days of vacation per year and the Treasurer earns 20 days of vacation per year. Vacation days are to be used each year. Classified employees cannot carry over days. Administrative staff can carry over a maximum of 10 days. Accumulated, unused vacation time is paid to administrators upon termination of employment. Teachers and the building principals do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of fifteen days per year for all personnel. The maximum sick leave accumulation for classified employees is 285 days. The maximum accumulation for certified employees is 300 days if hired before August 1, 2012 and 200 days if hired after that date. Upon retirement, payment is made for one-fourth of the accrued, but unused, sick leave balance to a maximum of 69 days for certified employees hired before August 1, 2012, and 60 days for classified employees. For certified employees hired after August 1, 2012 the maximum payout is 50 days. In addition, upon retirement, a certified employee is entitled to receive an additional severance payment of $5.00 per day for 75% of the accrued but unused sick leave days not calculated in the severance payment. Classified employees are entitled to receive an additional payment of $5.00 per day for the entire balance of the accrued but unused sick leave days not calculated in the severance payment.

NOTE 11 - RISK MANAGEMENT

A. Comprehensive

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2023, the District contracted with Ohio School Plan for general liability, property, and fleet insurance. Liability coverage is limited to $2,000,000 per claim and $4,000,000 in the aggregate. Property insurance carries a limitation of $35,899,167 in the aggregate with a $1,000 deductible.

The Perkins athletic facility is exposed to flood risk. During fiscal year 2023, the District contracted with Wright Insurance Company (Formerly Westfield) for flood insurance. The field house limitation on this insurance was $206,000 for building damage and $19,000 for contents damage with a $2,000 deductible for both.

Vehicles are covered by Ohio School Plan insurance and hold a $500 deductible ($1,000 for buses) for collision and a $250 deductible ($1,000 for buses) for comprehensive. Automobile liability coverage has a $2,000,000 limit for bodily injury and a $5,000 limit for medical payments.

NOTE 11 - RISK MANAGEMENT - (Continued)

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in the amount of coverage from the prior year.

B. Workers' Compensation

The District participates in the Ohio Association of School Business Official Workers' Compensation Group Rating Program (the "Program"), an insurance purchasing pool (Note 2.A.). The intent of the Program is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the Program. Participants in the Program are placed on tiers according to their loss history. Participants with low loss histories are rewarded with greater savings than participants with higher loss histories. Each participant pays its workers' compensation premium to the State based on the rate for the Program tier rather than its individual rate. Participation in the Program is limited to districts that can meet the Program's selection criteria. The firm of CompManagement provides administrative, cost control and actuarial services to the Program.

C. Employee Health, Prescription Drug, Dental and Vision Benefits

The District has contracted with the Stark County Schools Council of Governments Health Benefits Program to provide employee medical/surgical and prescription drug benefits. The Stark County Schools Council's Health Benefits Program is a shared risk pool comprised of an 85-member council of which 66 are member school Districts. Rates are set through an annual calculation process. The District pays a monthly contribution which is paid in a common fund from which claim payments are made for all participants regardless of claims flow. The board of directors has the right to return monies to an exiting school district subsequent to the settlements of all expenses and claims. The District pays health premiums of $1,674 for family coverage and $705 for single coverage per employee per month.

In addition to the Health Benefits Program, the District contracts with CoreSource for employee dental benefits and with VSP (Vision Service Plan) for employee vision benefits.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability/Asset

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

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

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Age 65 with 5 years of service credit; or 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 65 with 5 years of service credit; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

The District's contractually required contribution to SERS was $248,209 for fiscal year 2023. Of this amount, $68,306 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

The District's contractually required contribution to STRS was $669,842 for fiscal year 2023. Of this amount, $106,660 is reported as pension and postemployment benefits payable.

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

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

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

	SERS	STRS	Total
Proportion of the net pension liability prior measurement date	0.042360600%	0.033296406%	
Proportion of the net pension liability current measurement date	0.044589900%	0.033200210%	
Change in proportionate share	0.002229300%	-0.000096196%	
Proportionate share of the net pension liability	$ 2,411,769	$ 7,380,450	$ 9,792,219
Pension expense	$ 103,282	$ 1,028,812	$ 1,132,094

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 97,679	$ 94,477	$ 192,156
Net difference between projected and actual earnings on pension plan investments	-	256,821	256,821
Changes of assumptions	23,797	883,218	907,015
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	81,805	391,400	473,205
Contributions subsequent to the measurement date	248,209	669,842	918,051
Total deferred outflows of resources	$ 451,490	$ 2,295,758	$ 2,747,248

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 15,833	$ 28,233	$ 44,066
Net difference between projected and actual earnings on pension plan investments	84,157	-	84,157
Changes of assumptions	-	664,809	664,809
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	48,849	40,901	89,750
Total deferred inflows of resources	$ 148,839	$ 733,943	$ 882,782

$918,051 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	$ 2,646	$ 196,997	$ 199,643
2025	32,156	105,864	138,020
2026	(120,220)	(159,385)	(279,605)
2027	139,860	748,497	888,357
Total	$ 54,442	$ 891,973	$ 946,415

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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, are presented below:

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	$ 3,550,008	$ 2,411,769	$ 1,452,817

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

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

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

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

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

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

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

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	$ 11,149,171	$ 7,380,450	$ 4,193,276

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

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

Plan Description - School Employees Retirement System (SERS)

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2023, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2023, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the District's surcharge obligation was $32,115.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was $32,115 for fiscal year 2023. Of this amount, $32,115 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

The net OPEB liability/asset was measured as of June 30, 2022, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	SERS	STRS	Total
Proportion of the net OPEB liability/asset prior measurement date	0.043872500%	0.033296406%	
Proportion of the net OPEB liability/asset current measurement date	0.045418400%	0.033200210%	
Change in proportionate share	0.001545900%	-0.000096196%	
Proportionate share of the net OPEB liability	$ 637,679	$ -	$ 637,679
Proportionate share of the net OPEB asset	$ -	$ (859,664)	$ (859,664)
OPEB expense	$ (25,300)	$ (151,541)	$ (176,841)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 5,360	$ 12,460	$ 17,820
Net difference between projected and actual earnings on OPEB plan investments	3,314	14,964	18,278
Changes of assumptions	101,431	36,620	138,051
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	100,598	10,002	110,600
Contributions subsequent to the measurement date	32,115	-	32,115
Total deferred outflows of resources	$ 242,818	$ 74,046	$ 316,864

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 407,904	$ 129,102	$ 537,006
Changes of assumptions	261,772	609,586	871,358
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	75,111	3,169	78,280
Total deferred inflows of resources	$ 744,787	$ 741,857	$ 1,486,644

$32,115 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2024.

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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	$ (109,991)	$ (193,797)	$ (303,788)
2025	(114,683)	(194,143)	(308,826)
2026	(109,736)	(90,271)	(200,007)
2027	(80,222)	(37,753)	(117,975)
2028	(53,008)	(50,110)	(103,118)
Thereafter	(66,444)	(101,737)	(168,181)
Total	$ (534,084)	$ (667,811)	$ (1,201,895)

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.

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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

The long-term expected rate of return on plan assets is reviewed as part of the actuarial 5-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

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

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

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability, what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) and higher (5.08%) than the current discount rate (4.08%). Also shown is what the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate (7.00% decreasing to 4.40%).

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 792,007	$ 637,679	$ 513,094

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 491,765	$ 637,679	$ 828,266

Actuarial Assumptions - STRS

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

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

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

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

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

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

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

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

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB asset	$ (796,065)	$ (859,664)	$ (915,280)

	1% Decrease	Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	$ (891,681)	$ (859,664)	$ (819,251)

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

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

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and ESSER 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 that:

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

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

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

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

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund and ESSER fund are as follows:

Net Change in Fund Balance

	General fund	ESSER fund
Budget basis	$ (241,946)	$ (997,594)
Net adjustment for revenue accruals	(54,094)	423,261
Net adjustment for expenditure accruals	77,604	(435,201)
Funds budgeted elsewhere	6,183	-
Adjustment for encumbrances	45,193	955,833
GAAP basis	$ (167,060)	$ (53,701)

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING – (Continued)

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 Public School Support Fund and Termination Benefits Fund.

NOTE 15 - CONTINGENCIES

A. Grants

The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are 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, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2023, if applicable, cannot be determined at this time.

B. Litigation

Management believes there is no pending litigation that could have a material adverse effect on the financial position of the District.

NOTE 16 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by 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 year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year. The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	Capital Improvements
Set-aside balance June 30, 2022	$ -
Current year set-aside requirement	166,733
Current year offsets	(152,300)
Prior year offset from bond proceeds	(14,433)
Total	$ -
Balance carried forward to fiscal year 2024	$ -
Set-aside balance June 30, 2023	$ -

During fiscal year 2005, the District issued $4,907,000 in capital related school improvement bonds. These proceeds may be used to reduce the capital improvements set-aside amount to below zero for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the capital improvements set-aside balance to $0. The District is responsible for tracking the amount of bond proceeds that may be used as an offset in future periods, which was $4,892,567 at June 30, 2023.

NOTE 17 - COMMITMENTS

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

Fund	Year-End Encumbrances
General fund	$ 45,193
ESSER fund	502,607
Nonmajor governmental funds	43,294
Total	$ 591,094

NOTE 18 - COVID-19

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

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
District's proportion of the net pension liability	0.04458990%	0.04236060%	0.04578910%	0.04429960%
District's proportionate share of the net pension liability	$ 2,411,769	$ 1,562,983	$ 3,028,588	$ 2,650,523
District's covered payroll	$ 1,658,071	$ 1,446,129	$ 1,634,643	$ 1,634,993
District's proportionate share of the net pension liability as a percentage of its covered payroll	145.46%	108.08%	185.28%	162.11%
Plan fiduciary net position as a percentage of the total pension liability	75.82%	82.86%	68.55%	70.85%

* The amounts present each fiscal year were determined as of 6/30 of the previous fiscal year.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.04214370%	0.03955770%	0.03901100%	0.03959920%	0.03402700%	0.03402700%
$ 2,413,648	$ 2,363,485	$ 2,855,245	$ 2,259,569	$ 1,722,087	$ 2,023,476
$ 1,270,711	$ 1,375,971	$ 1,228,957	$ 1,192,140	$ 988,745	$ 876,402
189.94%	171.77%	232.33%	189.54%	174.17%	230.88%
71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
District's proportion of the net pension liabilit	0.03320021%	0.03329641%	0.03190905%	0.02975242%
District's proportionate share of the net pension liability	$ 7,380,450	$ 4,257,245	$ 7,720,855	$ 6,579,569
District's covered payroll	$ 4,330,014	$ 4,127,186	$ 3,957,464	$ 3,435,850
District's proportionate share of the net pension liability as a percentage of its covered payroll	170.45%	103.15%	195.10%	191.50%
Plan fiduciary net position as a percentage of the total pension liability	78.88%	87.78%	75.48%	77.40%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.02836994%	0.02863672%	0.02819788%	0.02989883%	0.03213818%	0.03213818%
$ 6,237,913	$ 6,802,714	$ 9,438,680	$ 8,263,162	$ 7,817,118	$ 9,311,699
$ 3,363,614	$ 3,152,886	$ 2,874,129	$ 3,138,200	$ 3,283,638	$ 3,205,623
185.45%	215.76%	328.40%	263.31%	238.06%	290.48%
77.31%	75.30%	66.80%	72.10%	74.70%	69.30%

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 248,209	$ 232,130	$ 202,458	$ 228,850
Contributions in relation to the contractually required contribution	(248,209)	(232,130)	(202,458)	(228,850)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 1,772,921	$ 1,658,071	$ 1,446,129	$ 1,634,643
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
$ 220,724	$ 171,546	$ 192,636	$ 172,054	$ 157,124	$ 137,040
(220,724)	(171,546)	(192,636)	(172,054)	(157,124)	(137,040)
$ -	$ -	$ -	$ -	$ -	$ -
$ 1,634,993	$ 1,270,711	$ 1,375,971	$ 1,228,957	$ 1,192,140	$ 988,745
13.50%	13.50%	14.00%	14.00%	13.18%	13.86%

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 669,842	$ 606,202	$ 577,806	$ 554,045
Contributions in relation to the contractually required contribution	(669,842)	(606,202)	(577,806)	(554,045)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 4,784,586	$ 4,330,014	$ 4,127,186	$ 3,957,464
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
$ 481,019	$ 470,906	$ 441,404	$ 402,378	$ 439,348	$ 426,873
(481,019)	(470,906)	(441,404)	(402,378)	(439,348)	(426,873)
$ -	$ -	$ -	$ -	$ -	$ -
$ 3,435,850	$ 3,363,614	$ 3,152,886	$ 2,874,129	$ 3,138,200	$ 3,283,638
14.00%	14.00%	14.00%	14.00%	14.00%	13.00%

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN FISCAL YEARS

	2023	2022	2021	2020
District's proportion of the net OPEB liability	0.04541840%	0.04387250%	0.04748050%	0.04541110%
District's proportionate share of the net OPEB liability	$ 637,679	$ 830,323	$ 1,031,907	$ 1,141,994
District's covered payroll	$ 1,658,071	$ 1,446,129	$ 1,634,643	$ 1,634,993
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	38.46%	57.42%	63.13%	69.85%
Plan fiduciary net position as a percentage of the total OPEB liability	30.34%	24.08%	18.17%	15.57%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017	
	0.04277470%		0.04020010%		0.03958274%
$	1,186,686	$	1,078,865	$	1,128,255
$	1,270,711	$	1,375,971	$	1,228,957
	93.39%		78.41%		91.81%
	13.57%		12.46%		11.49%

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN FISCAL YEARS

	2023	**2022**	**2021**	**2020**
District's proportion of the net OPEB liability/asset	0.03320021%	0.03329641%	0.03190905%	0.02975242%
District's proportionate share of the net OPEB liability/(asset)	$ (859,664)	$ (702,028)	$ (560,801)	$ (492,771)
District's covered payroll	$ 4,330,014	$ 4,127,186	$ 3,957,464	$ 3,435,850
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	19.85%	17.01%	14.17%	14.34%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	230.73%	174.73%	182.10%	174.70%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017	
	0.02836994%		0.02863672%		0.02819788%
$	(455,876)	$	1,117,299	$	1,508,030
$	3,363,614	$	3,152,886	$	2,874,129
	13.55%		35.44%		52.47%
	176.00%		47.10%		37.30%

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 32,115	$ 28,765	$ 29,076	$ 30,338
Contributions in relation to the contractually required contribution	(32,115)	(28,765)	(29,076)	(30,338)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 1,772,921	$ 1,658,071	$ 1,446,129	$ 1,634,643
Contributions as a percentage of covered payroll	1.81%	1.73%	2.01%	1.86%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017		2016		2015		2014	
$	35,952	$	29,551	$	22,179	$	20,241	$	27,171	$	17,571
	(35,952)		(29,551)		(22,179)		(20,241)		(27,171)		(17,571)
$	-	$	-	$	-	$	-	$	-	$	-
$	1,634,993	$	1,270,711	$	1,375,971	$	1,228,957	$	1,192,140	$	988,745
	2.20%		2.33%		1.61%		1.65%		2.28%		1.78%

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	2023	2022	2021	2020
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 4,784,586	$ 4,330,014	$ 4,127,186	$ 3,957,464
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017		2016		2015		2014	
$	-	$	-	$	-	$	-	$	-	$	32,836
	-		-		-		-		-		(32,836)
$	-	$	-	$	-	$	-	$	-	$	-
$	3,435,850	$	3,363,614	$	3,152,886	$	2,874,129	$	3,138,200	$	3,283,638
	0.00%		0.00%		0.00%		0.00%		1.00%		1.00%

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2014.
- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit receipients commencing benefits on or after April 1, 2018.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- For fiscal year 2023, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient's retirement date for those eligible during fiscal year 2023 and elmininated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.

(Continued)

PENSION (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

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

Changes in assumptions :

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

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

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

(Continued)

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

Changes in assumptions :

- For fiscal year 2017, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.

(Continued)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

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

Changes in assumptions :

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

(Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

Changes in assumptions (continued) :

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

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY

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

FEDERAL GRANTOR ***Pass-Through Grantor*** **Program/ Cluster Title**	**Federal AL Number**	**Pass-through Entity Identifying Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education & Workforce			
Child Nutrition Cluster:			
Non-Cash Assistance:			
National School Lunch Program - Food Donation	10.555	N/A	$27,004
Cash Assistance:			
School Breakfast Program	10.553	2023	171,667
National School Lunch Program	10.555	2023	277,703
National School Lunch Program - COVID-19	10.555	2023	23,983
Cash Assistance Subtotal			473,353
Total Child Nutrition Cluster			500,357
Pandemic Electronic Benefit Transfer (P-EBT) Program	10.649	2023	628
Total U.S. Department of Agriculture			500,985
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education and Workforce			
Title I Grants to Local Educational Agencies	84.010	2023	356,882
Title I Non-Competitive, Supplemental School Improvement	84.010	2022	2,475
		2023	54,849
Expanding Opportunities for Each Child Non-Competitive Grant	84.010	2022	1,395
		2023	29,212
Total Title I Grants to Local Educational Agencies			444,813
Special Education Cluster (IDEA):			
Special Education_Grants to States	84.027	2023	186,613
IDEA American Rescue Plan, Part B	84.027X	2023	5,177
Passed through East Central Ohio Educational Service Center			
Special Education_Preschool Grants	84.173	2023	2,818
Total Special Education Cluster (IDEA)			194,608
Student Support and Academic Enrichment Program	84.424	2023	22,928
Rural Education	84.358	2022	9,116
		2023	8,859
Total Rural Education			17,975
Education Stabilization Fund:			
Elementary and Secondary Emergency Relief (ESSER II)	84.425D	2022	59,746
		2023	379,450
American Rescue Plan Elementary and Secondary Emergency Relief (ARP ESSER III)	84.425U	2022	12,790
		2023	682,474
American Rescue Plan Elementary and Secondary Emergency Relief - Homeless Children and Youth (ARP Homeless Round II)	84.425W	2023	5,633
American Rescue Plan Elementary and Secondary Emergency Relief - Homeless Children and Youth (ARP Targeted Support)	84.425W	2023	16,500
Total Education Stabilization Fund			1,156,593
Total U.S. Department of Education			1,836,917
U.S. DEPARTMENT OF TREASURY			
Passed Through Ohio Office of Budget and Management			
American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Fund (SFRF)			
K-12 School Safety Grant Program	21.027	SLFRP0130	59,023
Total U.S. Department of Treasury			59,023
Total Expenditures of Federal Awards			**$2,396,925**

The accompanying notes are an integral part of this Schedule.

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY

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

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D – CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

OHIO AUDITOR OF STATE
KEITH FABER

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

Bridgeport Exempted Village School District
Belmont County
55781 National Road
Bridgeport, Ohio 43912

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bridgeport Exempted Village School District, Belmont County, Ohio (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 10, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

District's Response to Finding

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

May 10, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Bridgeport Exempted Village School District
Belmont County
55781 National Road
Bridgeport, Ohio 43912

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

In our opinion, Bridgeport Exempted Village School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber

Keith Faber
Auditor of State
Columbus, Ohio

May 10, 2024

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BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	Yes
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):** • AL #84.425D & AL #84.425U Education Stabilization Fund – Elementary and Secondary School Emergency Relief (ESSER)	
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

FINDING NUMBER 2023-001

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

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

FINDING NUMBER 2023-001 (Continued)

Material Weakness (Continued)

Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

As a result of audit procedures performed, we noted the following error in the District's financial statements and generally accepted accounting principles (GAAP) conversion:

- Property Taxes Receivable and Deferred Inflows - Property Taxes were overstated by $76,250 within the Debt Service Fund.
- Final budgeted revenue amount for the Elementary and Secondary School Emergency Relief (ESSER) Fund was understated by $1,188,215.

The above-mentioned errors were reflected on the accompanying financial statements.

In addition to the items listed above, we also identified additional misstatements ranging from $34,586 to $55,994 that we have brought to the District's attention.

Failure to properly report financial activity in accordance with generally accepted accounting principles could result in material misstatements occurring and remaining undetected and fail to provide management with an accurate picture of the District's financial position and operations.

The District should take the necessary steps to ensure that all revenues, expenditures/ expenses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources and equity are properly presented and disclosed in the District's financial statements.

Officials' Response: See Corrective Action Plan.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT

55781 National Road
Bridgeport, Ohio 43912
Phone: (740) 635-1713 Fax: (740) 635-6003

ADMINISTRATION

Brent Ripley, Superintendent
Eric Meininger, Treasurer
Joann Kazmierczak, Treasurer's Asst.

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

Finding Number	Finding Summary	Status	Additional Information
2022-001	Significant Deficiency – reclassification to the financial statements for fund balances	Corrective Action Taken and Finding is Fully Corrected	n/a

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT

55781 National Road
Bridgeport, Ohio 43912
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CORRECTIVE ACTION PLAN
2 CFR § 200.515
June 30, 2023

Finding Number:	2023-001
Planned Corrective Action:	The Bridgeport Exempted Village School District will work with GAAP compiler to ensure that the property taxes receivable and deferred inflows are correctly stated within the Debt Service Fund and that the ESSER Fund final budgeted revenue on the budgetary statements agrees to the Amended Certificate of Estimated Resources.
Anticipated Completion Date:	July 1, 2023
Responsible Contact Person:	Eric Meininger, Treasurer

OHIO AUDITOR OF STATE
KEITH FABER

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT

BELMONT 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 5/28/2024