



bhm cpa group, inc.

CERTIFIED PUBLIC ACCOUNTANTS

**COLLINS CAREER CENTER
LAWRENCE COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2024



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Columbus, Ohio 43215
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800-282-0370

Board of Education
Collins Career Center
11627 St. Rt. 243
Chesapeake, OH 45619

We have reviewed the *Independent Auditor's Report* of the Collins Career Center, Lawrence County, prepared by BHM CPA Group, Inc., for the audit period July 1, 2023 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

April 16, 2025

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Collins Career Center
For the Year Ended June 30, 2024
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INDEPENDENT AUDITOR'S REPORT

Collins Career Center
Lawrence County
11627 State Route 243
Chesapeake, Ohio 45619

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 Collins Career Center, Lawrence County, Ohio (the Center), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Collins Career Center, Lawrence County, Ohio as of June 30, 2024, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund and Adult Education Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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 Center's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and 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 Center's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2025, on our consideration of the Center'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 Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
February 24, 2025

Collins Career Center
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

The discussion and analysis of Collins Career Center's financial performance provides an overall review of the Center's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the Center's financial performance as a whole; readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Center's financial performance.

Financial Highlights

Key financial highlights for the fiscal year 2024 are as follows:

- Net position of governmental activities increased \$3,811,133.
- General revenues accounted for \$10,908,407 or 37% of total revenues. Program specific revenues in the form of charges for services and sales, grants, contributions, and interest accounted for \$18,480,335 or 63% of total revenues of \$29,388,742.
- The Center had \$25,577,609 in expenses related to governmental activities; \$18,480,335 of these expenses were offset by program specific charges for services and sales, grants, contributions, and interest. General revenues were adequate to provide for the rest of these programs.

Using this Annual Financial Report

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

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

Reporting the Center as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the large number of funds used by the Center to provide programs and activities for students, the view of the Center as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2024?" The statement of net position and the statement of activities answer this question. These statements include all assets, liabilities, and deferred inflows and outflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the statement of net position and the statement of activities, all of the Center's activities are reported as governmental activities, including instruction, support services, operation of non-instructional services, and extracurricular activities.

Collins Career Center
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Reporting the Center's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the Center's major funds. The Center uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Center's most significant funds. The Center's major governmental funds are the general fund, adult education special revenue fund, and permanent improvement capital projects fund.

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

The Center as a Whole

Recall that the statement of net position provides the perspective of the Center as a whole. Table 1 provides a summary of the Center's net position for 2024 compared to 2023.

Table 1
Net Position

	2024	2023
Assets		
Current and Other Assets	\$14,750,603	\$10,842,557
Capital Assets, Net	26,113,626	26,533,016
Total Assets	40,864,229	37,375,573
Deferred Outflows of Resources	3,505,086	3,415,966
Liabilities		
Current and Other Liabilities	1,541,255	1,395,739
Long-Term Liabilities	15,847,461	16,008,880
Total Liabilities	17,388,716	17,404,619
Deferred Inflows of Resources	6,709,340	6,926,794
Net Position		
Net Investment in Capital Assets	25,058,626	24,963,016
Restricted	3,616,151	1,986,166
Unrestricted (Deficit)	(8,403,518)	(10,489,056)
Total Net Position	\$20,271,259	\$16,460,126

Current and other assets increased between years due to an increase in cash and cash equivalents and property taxes receivable, which were partially offset by a decrease in intergovernmental receivables. Cash and cash equivalents increased between years due to the receipt of grant proceeds not yet expensed. Taxes Receivable increased due to increases in valuations due to infrastructure upgrades by Columbia Gas and the County-wide revaluation. Intergovernmental receivables decreased significantly as the Center incurred significant reimbursable expenses that were received in the prior fiscal year. Capital assets, net decreased due depreciation expense in excess of additions.

Collins Career Center
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Deferred outflows of resources remained consistent. Current and other liabilities increased due to an increase in accrued wages and benefits payable. Long-term liabilities decreased due to a decrease in debt balances which were partially offset by an increase net pension and OPEB liability estimates. Deferred inflows of resources decreased due to the decrease in amounts related to the Center's proportionate share of the state-wide net pension and OPEB liabilities (assets), which were partially offset by an increase in property taxes no levied to finance current year operations.

Table 2 shows the changes in net position for the fiscal year ended June 30, 2024, and comparisons to fiscal year 2023.

Table 2
 Change in Net Position

	2024	2023
Revenues		
Program Revenues		
Charges for Services and Sales	\$4,926,792	\$2,831,969
Operating Grants, Contributions and Interest	13,480,873	11,143,021
Capital Grants, Contributions and Interest	72,670	292,689
Total Program Revenues	<u>18,480,335</u>	<u>14,267,679</u>
General Revenues		
Property Taxes	4,348,177	3,986,836
Grants and Entitlements	5,924,463	4,989,508
Miscellaneous	635,767	206,452
Total General Revenues	<u>10,908,407</u>	<u>9,182,796</u>
Total Revenues	<u>29,388,742</u>	<u>23,450,475</u>
Expenses		
Instruction		
Regular	349,793	203,664
Vocational	10,547,079	9,376,653
Adult/Continuing	3,944,869	2,376,170
Support Services		
Pupils	356,315	522,252
Instructional Staff	63,884	67,081
Board of Education	43,510	24,881
Administration	1,751,800	1,297,843
Fiscal	759,552	632,999
Business	0	8,447
Operation and Maintenance of Plant	1,447,386	1,348,216
Central	367,811	328,310
Operation of Non-Instructional Services	5,805,379	4,555,282
Extracurricular Activities	50,958	49,196
Interest	89,273	125,131
Total Expenses	<u>25,577,609</u>	<u>20,916,055</u>
Change in Net Position	3,811,133	2,534,420
Net Position Beginning of Year	<u>16,460,126</u>	<u>13,925,706</u>
Net Position End of Year	<u>\$20,271,259</u>	<u>\$16,460,126</u>

The statement of activities shows the cost of program services and the charges for services, grants, contributions, and interest earnings offsetting those services. Charges for services and sales increased due to an increase in tuition and fees of the adult education program. Operating grants, contributions and interest increased due to the receipt of

Collins Career Center
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

career technical education and special education foundation monies during the fiscal year in addition to COVID funding. Capital grants, contributions and interest decreased between years due to an Appalachian Regional Commission grant for heavy equipment purchases received in the prior fiscal year. Grants and entitlements increased due to an increase in foundation monies received during the fiscal year. Miscellaneous revenue increased due to additional reimbursements received during the year.

Various expense functions increased between years due to the increase in pension expense and additional increased costs related to adult instruction and the corresponding non-instructional services for these programs.

Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of those services supported by tax revenue and unrestricted state entitlements.

Table 3

	Total Cost of Services 2024	Net Cost of Services 2024	Total Cost of Services 2023	Net Cost of Services 2023
Expenses				
Instruction				
Regular	\$349,793	\$16,496	\$203,664	(\$6,345)
Vocational	10,547,079	5,036,671	9,376,653	4,308,181
Adult/Continuing	3,944,869	(1,012,583)	2,376,170	(452,296)
Support Services				
Pupils	356,315	(260,130)	522,252	104,881
Instructional Staff	63,884	6,220	67,081	3,117
Board of Education	43,510	43,510	24,811	24,811
Administration	1,751,800	1,126,161	1,297,843	848,956
Fiscal	759,552	551,023	632,999	475,195
Business	0	0	8,447	8,447
Operation and Maintenance of Plant	1,447,386	1,303,143	1,348,216	1,178,661
Central	367,811	(50,819)	328,310	(47,316)
Operation of Non-Instructional Services	5,805,379	204,039	4,555,282	44,942
Extracurricular Activities	50,958	44,270	49,196	32,011
Interest	89,273	89,273	125,131	125,131
Total Expenses	\$25,577,609	\$7,097,274	\$20,916,055	\$6,648,376

48 percent of vocational instruction activities are supported through taxes and other general revenues for 2024, as compared to 46 percent for 2023.

The Center's Funds

The Center's funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$30,278,564 and expenditures and other financing uses of \$26,832,267.

General Fund – The general fund is the primary operating fund of the Center. At the end of 2024, unassigned fund balance was \$5,043,107, while total fund balance was \$5,057,322. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures. The fund balance of the Center's general fund increased \$2,073,112 during the fiscal year. Revenues increased between years, due to an increase in intergovernmental revenue as a result of changes to the state funding model between years. Expenditures remained consistent between years. As a net result of these changes, the general fund experienced this increase in fund balance.

Collins Career Center
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Adult Education Fund – The fund balance of the adult education fund at June 30, 2024 was \$1,922,913, an increase of \$1,385,517 from the prior year. This fund experienced increases in intergovernmental and tuition and fees revenues due to the receipt of COVID-related funding and due to increases in enrollment. These increases outpaced the increases in expenditures to provide this program.

Permanent Improvement Fund – The fund balance of the permanent improvement fund at June 30, 2024 was \$1,137,798, an increase of \$236,824. Property tax revenues increased between years due to an increase in assessed valuations. Expenditures increased between years due to an increase in fiscal expenditures.

General Fund Budgeting Highlights

The Center's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of fiscal year 2024, the Center amended its estimated resources and appropriations between the original and final budgets. Estimated resources increased for property taxes due to increased assessed valuations and intergovernmental revenue due to the effects from the change in the state funding model. Budgeted expenditures in vocational instruction increased due to wages and benefits and increased costs for teaching materials. Operation and maintenance of plant and capital outlay increased due to various repairs and maintenance costs and asset additions acquired during the year. The Center's ending unobligated general fund balance was \$5,796,064.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2024, the Center had \$26,113,626 invested in land, buildings, improvements, furniture and equipment, and vehicles, net of accumulated depreciation. Table 4 shows fiscal year 2024 balances compared to 2023.

Table 4
Capital Assets
(Net of Depreciation)

	2024	2023
Land	\$174,360	\$174,360
Land Improvements	31,922	34,672
Buildings and Improvements	24,194,941	24,891,730
Furniture and Equipment	1,444,833	1,234,108
Vehicles	267,570	198,146
Totals	\$26,113,626	\$26,533,016

See note 8 for more information on capital assets.

Debt

At June 30, 2024, the Center had the following debt outstanding:

Table 5
Outstanding Debt at Fiscal Year End

	2024	2023
Certificates of Participation	<u>\$1,055,000</u>	<u>\$1,570,000</u>

See note 14 for more information on debt.

Collins Career Center
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Economic Factors

Collins Career Center is in a low economic growth area, so dependence on local tax revenue must be minimized.

Contacting the Center's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Center's finances and to show the Center's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Richard Sketel, Treasurer at Collins Career Center, 11627 State Route 243, Chesapeake, Ohio 45619.

Collins Career Center
Statement of Net Position
As of June 30, 2024

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$8,890,227
Inventory Held for Resale	9,095
Materials and Supplies Inventory	4,331
Intergovernmental Receivable	226,257
Property Taxes Receivable	4,588,859
Net OPEB Asset	1,031,834
Nondepreciable Capital Assets	174,360
Depreciable Capital Assets, net	<u>25,939,266</u>
<i>Total Assets</i>	40,864,229
Deferred Outflows of Resources:	
Pension	3,103,335
OPEB	<u>401,751</u>
<i>Total Deferred Outflows of Resources</i>	3,505,086
Liabilities:	
Accounts Payable	127,582
Accrued Wages and Benefits Payable	924,983
Intergovernmental Payable	124,106
Accrued Interest Payable	5,868
Accrued Vacation Leave Payable	358,716
Long-Term Liabilities:	
Due Within One Year	539,685
Due in More Than One Year	1,145,173
Net Pension Liability	13,546,076
Net OPEB Liability	<u>616,527</u>
<i>Total Liabilities</i>	17,388,716
Deferred Inflows of Resources:	
Property Taxes not Levied to Finance Current Year Operations	4,216,882
Pension	1,105,752
OPEB	<u>1,386,706</u>
<i>Total Deferred Inflows of Resources</i>	6,709,340
Net Position:	
Net Investment in Capital Assets	25,058,626
Restricted for Capital Outlay	1,175,291
Restricted for Other Purposes	2,107,635
Restricted for Unclaimed Monies	329
Restricted for Net OPEB Asset	332,896
Unrestricted (Deficit)	<u>(8,403,518)</u>
<i>Total Net Position</i>	<u><u>\$20,271,259</u></u>

The notes to the basic financial statements are an integral part of this statement

Collins Career Center
Statement of Activities
For the Fiscal Year Ended June 30, 2024

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction:					
Regular	\$349,793	\$0	\$333,297	\$0	(\$16,496)
Vocational	10,547,079	33,474	5,476,934	0	(5,036,671)
Adulting/Continuing	3,944,869	3,799,240	1,158,212	0	1,012,583
Support Services:					
Pupils	356,315	0	616,445	0	260,130
Instructional Staff	63,884	0	57,664	0	(6,220)
Board of Education	43,510	0	0	0	(43,510)
Administration	1,751,800	477,975	147,664	0	(1,126,161)
Fiscal	759,552	159,810	48,719	0	(551,023)
Operation and Maintenance of Plant	1,447,386	54,851	16,722	72,670	(1,303,143)
Central	367,811	320,825	97,805	0	50,819
Operation of Non-Instructional Services	5,805,379	73,929	5,527,411	0	(204,039)
Extracurricular Activities	50,958	6,688	0	0	(44,270)
Interest	89,273	0	0	0	(89,273)
<i>Total Governmental Activities</i>	\$25,577,609	\$4,926,792	\$13,480,873	\$72,670	(7,097,274)

General Revenues:

Property Taxes Levied for:	
General Purposes	3,631,729
Capital Outlay	716,448
Grants and Entitlements not Restricted for Specific Programs	5,924,463
Miscellaneous	635,767
<i>Total General Revenues</i>	10,908,407
<i>Change in Net Position</i>	3,811,133
<i>Net Position Beginning of Year</i>	16,460,126
<i>Net Position End of Year</i>	\$20,271,259

The notes to the basic financial statements are an integral part of this statement

Collins Career Center
Balance Sheet
Governmental Funds
As of June 30, 2024

	General Fund	Adult Education Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$5,578,078	\$2,008,522	\$1,115,845	\$187,453	\$8,889,898
Inventory Held for Resale	0	0	0	9,095	9,095
Materials and Supplies Inventory	0	0	0	4,331	4,331
Interfund Receivable	277,248	0	0	0	277,248
Intergovernmental Receivable	5,817	72,743	0	147,697	226,257
Property Taxes Receivable	3,839,558	0	749,301	0	4,588,859
Restricted Cash and Cash Equivalents	329	0	0	0	329
<i>Total Assets</i>	<i>\$9,701,030</i>	<i>\$2,081,265</i>	<i>\$1,865,146</i>	<i>\$348,576</i>	<i>\$13,996,017</i>
Liabilities:					
Accounts Payable	\$71,308	\$35,013	\$0	\$21,261	\$127,582
Accrued Wages and Benefits Payable	769,017	95,140	0	60,826	924,983
Interfund Payable	0	0	0	277,248	277,248
Intergovernmental Payable	75,781	28,199	0	20,126	124,106
<i>Total Liabilities</i>	<i>916,106</i>	<i>158,352</i>	<i>0</i>	<i>379,461</i>	<i>1,453,919</i>
Deferred Inflows of Resources:					
Property Taxes not Levied to Finance Current Year					
Operations	3,527,027	0	689,855	0	4,216,882
Unavailable Revenue	200,575	0	37,493	3,281	241,349
<i>Total Deferred Inflows of Resources</i>	<i>3,727,602</i>	<i>0</i>	<i>727,348</i>	<i>3,281</i>	<i>4,458,231</i>
Fund Balances:					
Nonspendable	329	0	0	4,331	4,660
Restricted	0	1,922,913	1,137,798	184,722	3,245,433
Assigned	13,886	0	0	0	13,886
Unassigned (Deficit)	5,043,107	0	0	(223,219)	4,819,888
<i>Total Fund Balances</i>	<i>5,057,322</i>	<i>1,922,913</i>	<i>1,137,798</i>	<i>(34,166)</i>	<i>8,083,867</i>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<i>\$9,701,030</i>	<i>\$2,081,265</i>	<i>\$1,865,146</i>	<i>\$348,576</i>	<i>\$13,996,017</i>

The notes to the basic financial statements are an integral part of this statement.

Collins Career Center
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 As of June 30, 2024*

Total Governmental Fund Balances \$8,083,867

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 26,113,626

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

Delinquent Property Taxes	232,251
Grants	<u>9,098</u>
Total	<u>241,349</u>

Accrued vacation leave payable is recognized for earned vacation benefits that are to be used within one year but are not recognized on the balance sheet until due.

(358,716)

Interest payable is accrued for outstanding long-term liabilities, while interest is not reported until due on the balance sheet. (5,868)

The net pension/OPEB liability (asset) is not due and payable (receivable) in the current period. Therefore, the liability (asset) and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows-Pension	3,103,335
Deferred Outflows-OPEB	401,751
Deferred Inflows-Pension	(1,105,752)
Deferred Inflows-OPEB	(1,386,706)
Net Pension Liability	(13,546,076)
Net OPEB Asset	1,031,834
Net OPEB Liability	<u>(616,527)</u>
Total	<u>(12,118,141)</u>

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

Certificates of Participation	(1,055,000)
Sick Leave Benefits Payable	<u>(629,858)</u>
Total	<u>(1,684,858)</u>

Net Position of Governmental Activities \$20,271,259

The notes to the basic financial statements are an integral part of this statement

Collins Career Center
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General Fund	Adult Education Fund	Permanent Improvement Fund	Federal Grants Fund	Formerly Major Miscellaneous	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property Taxes	\$3,622,405	\$0	\$714,717	\$0	\$0	\$4,337,122	
Intergovernmental	9,236,422	4,300,896	136,818	0	5,809,632	19,483,768	
Interest	0	0	72,670	0	0	72,670	
Tuition and Fees	22,646	4,814,190	0	0	0	4,836,836	
Extracurricular Activities	0	0	0	0	6,688	6,688	
Customer Sales and Services	9,339	0	0	0	73,929	83,268	
Miscellaneous	350,551	153,156	0	0	132,060	635,767	
<i>Total Revenues</i>	<i>13,241,363</i>	<i>9,268,242</i>	<i>924,205</i>	<i>0</i>	<i>6,022,309</i>	<i>29,456,119</i>	
Expenditures:							
Current:							
Instruction:							
Regular	0	0	0	0	353,310	353,310	
Vocational	7,233,211	1,522	0	0	2,694,422	9,929,155	
Adult/Continuing	0	3,989,345	0	0	0	3,989,345	
Support Services:							
Pupils	235,691	0	0	0	54,353	290,044	
Instructional Staff	1,830	0	0	0	61,126	62,956	
Board of Education	43,871	0	0	0	0	43,871	
Administration	1,303,262	488,682	0	0	1,709	1,793,653	
Fiscal	590,095	163,390	18,643	0	0	772,128	
Operation and Maintenance of Plant	798,758	56,080	61,600	0	512,805	1,429,243	
Central	19,989	328,012	0	0	0	348,001	
Operation of Non-Instructional Services	0	2,855,694	0	0	2,963,392	5,819,086	
Extracurricular Activities	0	0	0	0	50,958	50,958	
Capital Outlay	119,099	0	0	0	401,835	520,934	
Debt Service:							
Principal	0	0	515,000	0	0	515,000	
Interest	0	0	92,138	0	0	92,138	
<i>Total Expenditures</i>	<i>10,345,806</i>	<i>7,882,725</i>	<i>687,381</i>	<i>0</i>	<i>7,093,910</i>	<i>26,009,822</i>	
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>2,895,557</i>	<i>1,385,517</i>	<i>236,824</i>	<i>0</i>	<i>(1,071,601)</i>	<i>3,446,297</i>	
Other Financing Sources (Uses):							
Transfers In	0	0	0	0	822,445	822,445	
Transfers Out	(822,445)	0	0	0	0	(822,445)	
<i>Total Other Financing Sources (Uses)</i>	<i>(822,445)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>822,445</i>	<i>0</i>	
<i>Net Change in Fund Balances</i>	<i>2,073,112</i>	<i>1,385,517</i>	<i>236,824</i>	<i>0</i>	<i>(249,156)</i>	<i>3,446,297</i>	
<i>Fund Balance at Beginning of Year as Previously Reported</i>	<i>2,984,210</i>	<i>537,396</i>	<i>900,974</i>	<i>373,993</i>	<i>(159,003)</i>	<i>4,637,570</i>	
<i>Adjustment to Beginning Balance for Change in Major Funds</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(373,993)</i>	<i>373,993</i>	<i>0</i>	
<i>Fund (Deficit) Balance at End of Year</i>	<i>\$5,057,322</i>	<i>\$1,922,913</i>	<i>\$1,137,798</i>	<i>\$0</i>	<i>(\$34,166)</i>	<i>\$8,083,867</i>	

The notes to the basic financial statements are an integral part of this statement.

Collins Career Center
*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, 2024*

Net Change in Fund Balances - Total Governmental Funds \$3,446,297

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

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

Capital Asset Additions	520,934
Current Year Depreciation	(940,324)
Total	(419,390)

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

Delinquent Property Taxes	11,055
Grants	(83,077)
Total	(72,022)

Repayments of certificates of participation are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position and do not result in an expense in the statement of activities. 515,000

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt in the statement of net position. 2,865

Contractually required contributions are reported as expenditures in governmental funds. However, the statement of net position reports these amounts as deferred outflows.

Pension	1,317,215
OPEB	17,523
Total	1,334,738

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

Pension	(1,018,314)
OPEB	120,720
Total	(897,594)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued Vacation Leave Payable	(39,834)
Sick Leave Benefits Payable	(58,927)
Total	(98,761)

Net Change in Net Position of Governmental Activities \$3,811,133

The notes to the basic financial statements are an integral part of this statement

Collins Career Center
*Statement of Revenues, Expenditures and Change
in Fund Balance - Budget and Actual (Budgetary Basis)*
General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>			Variance with Final Budget: Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property Taxes	\$2,955,900	\$3,605,953	\$3,605,953	\$0
Intergovernmental	7,020,000	9,236,422	9,236,422	0
Tuition and Fees	0	22,646	22,646	0
Miscellaneous	300,000	333,649	333,649	0
<i>Total Revenues</i>	<i>10,275,900</i>	<i>13,198,670</i>	<i>13,198,670</i>	<i>0</i>
Expenditures:				
Current:				
Instruction:				
Vocational	6,529,336	7,144,696	7,144,696	0
Support Services:				
Pupils	197,624	233,967	233,967	0
Instructional Staff	1,000	1,830	1,830	0
Board of Education	40,200	33,546	33,546	0
Administration	1,210,236	1,253,673	1,253,673	0
Fiscal	459,611	457,538	457,538	0
Operation and Maintenance of Plant	580,640	780,548	780,548	0
Central	20,000	21,348	21,348	0
Capital Outlay	0	119,099	119,099	0
<i>Total Expenditures</i>	<i>9,038,647</i>	<i>10,046,245</i>	<i>10,046,245</i>	<i>0</i>
<i>Excess of Revenues Over Expenditures</i>	<i>1,237,253</i>	<i>3,152,425</i>	<i>3,152,425</i>	<i>0</i>
Other Financing Sources (Uses):				
Transfers In	0	1,302,829	1,302,829	0
Transfers Out	0	(2,249,825)	(2,249,825)	0
<i>Total Other Financing Sources (Uses)</i>	<i>0</i>	<i>(946,996)</i>	<i>(946,996)</i>	<i>0</i>
<i>Net Change in Fund Balance</i>	<i>1,237,253</i>	<i>2,205,429</i>	<i>2,205,429</i>	<i>0</i>
<i>Fund Balance at Beginning of Year</i>	<i>3,581,635</i>	<i>3,581,635</i>	<i>3,581,635</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>9,000</i>	<i>9,000</i>	<i>9,000</i>	<i>0</i>
<i>Fund Balance at End of Year</i>	<i>\$4,827,888</i>	<i>\$5,796,064</i>	<i>\$5,796,064</i>	<i>\$0</i>

The notes to the basic financial statements are an integral part of this statement.

Collins Career Center
*Statement of Revenues, Expenditures and Change
in Fund Balance - Budget and Actual (Budgetary Basis)*
Adult Education Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget: Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$3,834,785	\$4,300,896	\$4,300,896	\$0
Tuition and Fees	4,920,650	4,814,190	4,814,190	0
Customer Sales and Services	1,400	0	0	0
Miscellaneous	148,500	153,156	153,156	0
<i>Total Revenues</i>	8,905,335	9,268,242	9,268,242	0
Expenditures:				
Current:				
Instruction:				
Vocational	1,400	1,522	1,522	0
Adult/Continuing	3,040,955	4,004,451	4,004,451	0
Support Services:				
Administration	379,850	488,137	488,137	0
Fiscal	140,771	164,012	164,012	0
Operation and Maintenance of Plant	28,000	54,515	54,515	0
Central	430,127	325,838	325,838	0
Operation of Noninstructional Services	2,500,000	2,855,694	2,855,694	0
<i>Total Expenditures</i>	6,521,103	7,894,169	7,894,169	0
<i>Excess of Revenues Over Expenditures</i>	2,384,232	1,374,073	1,374,073	0
Other Financing Sources (Uses):				
Transfers In	0	164,584	164,584	0
Transfers Out	0	(164,584)	(164,584)	0
<i>Total Other Financing Sources (Uses)</i>	0	0	0	0
<i>Net Change in Fund Balance</i>	2,384,232	1,374,073	1,374,073	0
<i>Fund Balance at Beginning of Year</i>	343,841	343,841	343,841	0
<i>Prior Year Encumbrances Appropriated</i>	2,716	2,716	2,716	0
<i>Fund Balance at End of Year</i>	\$2,730,789	\$1,720,630	\$1,720,630	\$0

The notes to the basic financial statements are an integral part of this statement.

Note 1 - Description of the Center and Reporting Entity

Collins Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of two members of the Lawrence County Educational Service Center Board of Education, two members from the Ironton City School District Board of Education, and one member from the Chesapeake Union Exempted Village School District Board of Education, which possesses its own budgeting and taxing authority. The Center exposes students to job training, leading to employment upon graduation from high school.

The Center is staffed by 31 classified employees, 104 certified employees, and 20 administrative employees who provide services to 762 students and other community members. The Center currently operates one instructional building.

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

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

The Center participates in four organizations, two of which are defined as jointly governed organizations and two as insurance purchasing pools. The jointly governed organizations are META Solutions and the Coalition of Rural and Appalachian Schools. The insurance purchasing pools are the Ohio SchoolComp Workers' Compensation Group Rating Plan and the Lawrence County Schools Council of Governments Health Benefits Program. These organizations are presented in notes 16 and 17 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

Basis of Presentation

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

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

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

Fund Financial Statements During the fiscal year, the Center segregates transactions related to certain Center functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Center at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type; however the Center has no fiduciary funds.

Fund Accounting

The Center uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are two categories of funds used by this Center: governmental and fiduciary.

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 and deferred outflows, and liabilities and deferred inflows, is reported as fund balance. The following are the Center'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.

Adult Education Fund The adult education special revenue fund is used to account for transactions made in connection with adult education classes. Revenues include, but are not limited to, federal direct student loan funding, tuition from patrons and students, and reimbursements from the State Department of Education. Expenditures include supplies, salaries, and textbooks.

Permanent Improvement Fund The permanent improvement capital projects fund is used to account for all transactions related to the acquiring, constructing, or improving of permanent improvements as authorized by Chapter 5705, Revised Code.

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

Fiduciary Fund Types 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 has certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The Center has no fiduciary funds.

Measurement Focus

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

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities, and certain deferred inflows and outflows 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.

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

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, investment earnings, tuition, grants, fees, and rentals.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The Center reports deferred outflows of resources in the government-wide statement of net position for amounts related to pensions and other postemployment benefits, which will be further discussed in notes 12 and 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Center, deferred inflows of resources include property taxes, unavailable revenue, and amounts related to pensions and other postemployment benefits. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow 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. For the Center, unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as a deferred inflow of resources in the period the amounts become available. Amounts related to pensions and other postemployment benefits are reported only in the government-wide statement of net position and will be further discussed in notes 12 and 13.

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

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

Cash and Cash Equivalents

To improve cash management, cash received by the Center is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the Center's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

During fiscal year 2024, the Center had no investments.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. The Center's Board of Education has allocated interest earned on interim funds to the adult education fund and permanent improvement fund. Interest revenue credited to the permanent improvement fund during fiscal year 2024 amounted to \$72,670.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expended when used. Inventories consist of expendable supplies held for consumption.

Capital Assets

The Center's only capital assets are general capital assets. General capital assets are those assets specifically related to governmental activities. These 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. The Center was able to estimate the historical cost for the initial reporting of certain assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The Center maintains a capitalization threshold of two thousand five hundred dollars. The Center does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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

Description	Estimated Lives
Land Improvements	20 years
Buildings and Improvements	30-50 years
Furniture and Equipment	5-20 years
Vehicles	8 years

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Center will compensate the employees for the benefits through paid time off or some other means. The liability for vacation benefits is recorded as "accrued vacation leave payable", rather than long-term liabilities, as the balances are usually used by employees within the calendar year earned. At the employee's request, any carry-over may be paid to the employee each year, or carried over and paid upon termination, up to an amount equal to the sum of the last three years' accruals.

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

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

On the governmental fund financial statements, sick leave benefits are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the retirement benefits fund, which is reported as a part of the general fund for financial reporting purposes in accordance with generally accepted accounting principles. The Center had no matured compensated absences to report at June 30, 2024.

Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB 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. Certificates of participation that will be paid from governmental funds are recognized as an expenditure and liability in the governmental fund financial statements when due.

Interfund Activity

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

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

Interfund Balances

Interfund receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column of the statement of net position.

Fund Balance

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

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

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the Center for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Center's Board of Education or a Center official delegated that authority by resolution or state statute.

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

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

Net Position

Net position represents the difference between assets, liabilities, and deferred inflows and outflows of resources.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include local, federal, and state grants restricted to expenditure for specified purposes. The Center applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. None of the Center's net position is restricted by enabling legislation.

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. The Center did not report either type of transaction for the year ended June 30, 2024.

Estimates

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

Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Center's Board of Education. The legal level of control has been established by the Board of Education at the fund level. The Center Treasurer has been given the authority to allocate appropriations among functions and objects within all funds.

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

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

Pensions/OPEB

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

Note 3 – Accountability

The following funds had deficit fund balances as of June 30, 2024:

<i>Nonmajor Funds:</i>	
Bond Retirement	\$83,102
Food Service	16,154
Classroom Facilities Maintenance	15,005
Wellness and Success	23,786
ABLE	3,281
Pell	16,697
Miscellaneous Federal Grants	65,194

The general fund is liable for the deficits in the special revenue and debt service funds and provides operating transfers when cash is required, not when accruals occur.

Note 4 - Budgetary Basis of Accounting

While the Center is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statements of revenues, expenditures and changes in fund balances - budget and actual (budgetary basis) presented for the general fund and adult education major special revenue 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 GAAP (modified accrual) basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Certain funds are accounted for as separate funds internally with legally adopted budgets (budget basis) that do not meet the definition of special revenue funds under general accepted accounting principles and were reported with the general fund (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and the major special revenue fund.

Net Change in Fund Balance

	General	Adult Education
GAAP Basis	\$2,073,112	\$1,385,517
Revenue Accruals	1,281,935	164,584
Expenditure Accruals	(1,145,270)	(174,222)
Encumbrances	(539)	(1,806)
Perspective Differences	(3,809)	0
Budget Basis	\$2,205,429	\$1,374,073

Note 5 - Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the Center is bound to observe constraints imposed upon the use of the resources in

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For the Fiscal Year Ended June 30, 2024

governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Adult Education	Permanent Improvement	Other	Total Governmental Funds
				Governmental Funds	
<i>Nonspendable</i>					
Unclaimed Monies	\$329	\$0	\$0	\$0	\$329
Inventory	0	0	0	4,331	4,331
Total	329	0	0	4,331	4,660
<i>Restricted</i>					
Adult Education	0	1,922,913	0	0	1,922,913
Student Activities	0	0	0	27,175	27,175
State Grants	0	0	0	156,846	156,846
Federal Grants	0	0	0	701	701
Capital Improvements	0	0	1,137,798	0	1,137,798
Total	0	1,922,913	1,137,798	184,722	3,245,433
<i>Assigned</i>					
Future Purchases	539	0	0	0	539
Public School Support	13,347	0	0	0	13,347
Total	13,886	0	0	0	13,886
<i>Unassigned (Deficit)</i>	<u>5,043,107</u>	0	0	(223,219)	4,819,888
Total	<u>\$5,057,322</u>	<u>\$1,922,913</u>	<u>\$1,137,798</u>	<u>(\$34,166)</u>	<u>\$8,083,867</u>

Note 6 - Deposits and Investments

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

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

Inactive deposits are public deposits that the Board 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 bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).
8. Certain bankers' acceptances for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the Center will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2024, the Center's bank balance of \$9,144,029 was either covered by FDIC or collateralized by the financial institution's public entity deposit pool in the manner described below.

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

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

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

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 7 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located within the boundaries of the Center. Real property tax revenue received in calendar year 2024 represents collections of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2023, on the assessed value listed as of January 1, 2023, the lien date. Assessed values for real property taxes are established by state statute at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, state statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2024 represents collections of calendar year 2023 taxes. Public utility real and tangible personal property taxes received in calendar year 2024 became a lien December 31, 2022, were levied after April 1, 2023, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The Center receives property taxes from Lawrence County. The County Auditor periodically advances to the Center its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2024, are available to finance fiscal year 2024 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which were measurable as of June 30, 2024, 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 reflected as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

The amount available as an advance at June 30, 2024 was \$117,773 in the general fund and \$21,953 in the permanent improvement capital projects fund.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2024 taxes were collected are:

	2023 Second-Half Collections		2024 First-Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential Real Property	\$962,438,530	53%	\$965,954,880	53%
Commercial/Industrial Real Property	197,557,650	11%	197,816,390	11%
Public Utility Real & Personal Property	662,364,640	36%	664,305,750	36%
Total	\$1,822,360,820	100%	\$1,828,077,020	100%

Collins Career Center
Notes to the Basic Financial Statements
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Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Balance 6/30/23	Additions	Deletions	Balance 6/30/24
Capital Assets Not Being Depreciated:				
Land	\$174,360	\$0	\$0	\$174,360
Total Capital Assets Not Being Depreciated	174,360	0	0	174,360
Depreciable Capital Assets:				
Land Improvements	718,421	0	0	718,421
Buildings and Improvements	36,270,709	0	0	36,270,709
Furniture and Equipment	3,898,529	418,807	0	4,317,336
Vehicles	443,239	102,127	0	545,366
Total Capital Assets Being Depreciated	41,330,898	520,934	0	41,851,832
Accumulated Depreciation:				
Land Improvements	(683,749)	(2,750)	0	(686,499)
Buildings and Improvements	(11,378,979)	(696,789)	0	(12,075,768)
Furniture and Equipment	(2,664,421)	(208,082)	0	(2,872,503)
Vehicles	(245,093)	(32,703)	0	(277,796)
Total Accumulated Depreciation	(14,972,242)	(940,324)	0	(15,912,566)
Total Capital Assets Being Depreciated, Net	26,358,656	(419,390)	0	25,939,266
Total Capital Assets, Net	\$26,533,016	(\$419,390)	\$0	\$26,113,626

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Vocational	\$785,944
Adult/Continuing	30,968
Support Services:	
Pupils	80,799
Operation and Maintenance of Plant	21,229
Central	21,384
Total Depreciation Expense	\$940,324

Note 9 - Receivables

Receivables at June 30, 2024 consisted of property taxes, interfund, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs, and the current year guarantee of federal funds. All receivables, except for property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. A summary of principal items of intergovernmental receivables follows:

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

<i>Governmental Activities:</i>	
General Fund	\$5,817
Adult Education	72,743
ESSER	1,484
Pell	45,459
Vocational Funds	26,833
Career Development	4,873
ABLE	69,048
Total	<u><u>\$226,257</u></u>

Note 10 - Risk Management

Property and Liability

The Center is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Center contracted with Acord for automobile and property coverage and commercial umbrella liability coverage for fiscal year 2024.

The types and amounts of coverage are as follows:

General Liability:	
Each Occurrence	\$1,000,000
Damage to Rented Premises	1,000,000
Aggregate Limit	3,000,000
Products-Completed Operations Aggregate Limit	3,000,000
Personal Injury	1,000,000
Excess Liability:	
Each Occurrence	1,000,000
Aggregate Limit	1,000,000
Employee Benefits Liability:	
Each Occurrence	1,000,000
Aggregate Limit	2,000,000
Building and Business Personal Property Coverage (\$1,000 deductible)	57,445,511
Automobile Liability (\$500 deductible)	1,000,000

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

Worker's Compensation

For fiscal year 2024, the Center participated in the Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the Center by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the state based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. Sedgwick provides administrative, cost control, and actuarial services to the GRP.

Note 11 - Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and state laws.

Non-teaching employees earn ten to twenty days of vacation per fiscal year, depending upon the length of service. Administrative personnel earn twenty days of vacation per fiscal year. Maximum days accrued shall not exceed 60 days. Accumulated, unused vacation time is paid to non-teaching employees and administrative personnel upon termination of employment not to exceed the amount accrued within three years before the date of separation. Teaching employees, part-time employees and employees employed for less than 12 months do not earn vacation time.

Teaching employees, administrative personnel and non-teaching employees earn sick leave at the rate of one and one-fourth days per month. Sick leave accumulates to a maximum of 295 days for all employees. Teaching employees upon retirement who have taught 10 or more years in Collins Career Center are paid one-fourth of the total sick leave accumulation up to a maximum of 50 days. Administrative personnel and non-teaching employees are paid one-fourth of the total sick leave accumulation up to a maximum of 50 days. Teaching employees, administrative personnel and non-teaching employees who have been employed in the Center for 10 years or more, upon retirement, and have accrued unused sick leave credit of 200 days or more shall be paid an attendance bonus of an additional 10 days above the maximum of 50 days and shall receive an extra bonus of one additional day for each year of service after the tenth year of service.

Life Insurance and Health Care Benefits

The Center provides life insurance and accidental death and dismemberment insurance to all classified and full-time administrative employees through The Guardian in the amount of \$40,000.

Health insurance is provided by Anthem Blue Cross/Blue Shield. The Center offers three options. For option 1, premiums for this coverage are \$2,578.16 for family coverage and \$1,043.78 for single coverage per month. The Center pays 80% of the family coverage premium and 82.5% of the single coverage premium. For option 2, premiums for this coverage are \$1,969.18 for family coverage and \$797.24 for single coverage per month. The Center pays 80% of the family coverage premium and 82.5% of the single coverage premium. For option 3, premiums for this coverage are \$1,897.20 for family coverage and \$768.10 for single coverage per month. The Center pays 80% of the family coverage premium and 82.5% of the single coverage premium.

Vision insurance is provided by The Guardian. Premiums for this coverage are \$17.70 per month. The Center pays 100% of the premium for single plans and \$8.23 of the premium for family plans with the employee paying the remainder of \$9.47.

Dental insurance is provided by The Guardian. Premiums for this coverage are \$73.04 per month. The Center pays 100% of the premium for single plans and \$21.07 of the premium for family plans with the employee paying the remainder of \$51.97.

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/OPEB liability (asset) reported on the statement of net position represents a liability to (asset for) employees for pensions/OPEB. 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 pension/OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

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

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

School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the Center is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2024, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The Center’s contractually required contributions to SERS were \$213,069 for fiscal year 2024. Of this amount, \$17,329 was reported as an intergovernmental payable.

State Teachers Retirement System (STRS)

Plan Description – Center licensed teachers and other certified faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS’ fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS 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 Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients’ base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, a one-time ad-hoc COLA of 3 percent of

the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a one-time ad-hoc COLA of 1 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019. Pursuant to Ohio Revised Code 3307.67(E), the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system. 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 34 years of service credit 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 their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment. New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2024 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2024, the full employer contribution was allocated to pension.

The Center's contractually required contributions to STRS were \$1,104,146 for fiscal year 2024. Of this amount, \$82,066 is reported as an intergovernmental payable.

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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, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Center's proportion of the net pension liability was based on the Center's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability			
Current Measurement Date	0.03838300%	0.053054330%	
Proportion of the Net Pension Liability			
Prior Measurement Date	<u>0.03764490%</u>	<u>0.050900640%</u>	
Change in Proportionate Share	<u>0.00073810%</u>	<u>0.002153690%</u>	
Proportionate Share of the Net			
Pension Liability	\$2,120,859	\$11,425,217	\$13,546,076
Pension Expense	\$210,690	\$807,624	\$1,018,314

At June 30, 2024, the Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
<i>Deferred Outflows of Resources</i>			
Differences between expected and actual experience	\$91,158	\$416,537	\$507,695
Changes of assumptions	15,024	940,930	955,954
Changes in proportion and differences between Center contributions and proportionate share of contributions	24,641	297,830	322,471
Center contributions subsequent to the measurement date	<u>213,069</u>	<u>1,104,146</u>	<u>1,317,215</u>
Total Deferred Outflows of Resources	<u><u>\$343,892</u></u>	<u><u>\$2,759,443</u></u>	<u><u>\$3,103,335</u></u>
<i>Deferred Inflows of Resources</i>			
Differences between expected and actual experience	\$0	\$25,352	\$25,352
Changes of assumptions	0	708,249	708,249
Net difference between projected and actual earnings on pension plan investments	29,811	34,240	64,051
Changes in proportion and differences between Center contributions and proportionate share of contributions	12	308,088	308,100
Total Deferred Inflows of Resources	<u><u>\$29,823</u></u>	<u><u>\$1,075,929</u></u>	<u><u>\$1,105,752</u></u>

\$1,317,215 reported as deferred outflows of resources related to pension resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (gain) as follows:

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Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2025	\$30,368	(\$193,886)	(\$163,518)
2026	(73,085)	(449,230)	(522,315)
2027	142,153	1,209,295	1,351,448
2028	<u>1,564</u>	<u>13,189</u>	<u>14,753</u>
Total	<u>\$101,000</u>	<u>\$579,368</u>	<u>\$680,368</u>

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. Future benefits for all current plan members were projected through 2137.

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, 2023, are presented below:

Inflation	2.4 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.00 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

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

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2023:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash	2.00%	0.75%
US Equity	24.75%	4.82%
Non-US Equity Developed	13.50%	5.19%
Non-US Equity Emerging	6.75%	5.98%
Fixed Income/Global Bonds	19.00%	2.24%
Private Equity	12.00%	7.49%
Real Estate/Real Assets	17.00%	3.70%
Private Debt/Private Credit	5.00%	5.64%
Total	<u>100.00%</u>	

Discount Rate The total pension liability for 2023 was calculated using the discount rate of 7.00 percent. The discount rate determination did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 21-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate for fiscal year 2023 was 14 percent. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90 percent.

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

	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Center's proportionate share of the net pension liability	\$3,130,279	\$2,120,859	\$1,270,614

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2023 actuarial valuation are presented below:

Inflation	2.50 percent
Projected Salary Increases	From 2.50 percent to 8.50 percent based on service
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.00 percent, effective July 1, 2017

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

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

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

*Final target weights reflected at October 1, 2022.

**10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and is net of investment expenses. Over a 30-year period, STRS investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

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

	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Center's proportionate share of the net pension liability	\$17,569,455	\$11,425,217	\$6,228,873

Note 13 – Defined Benefit OPEB Plans

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

School Employees Retirement System (SERS)

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

The health care program is financed through a combination of employer contributions, recipient premiums, investment returns, and any funds received on behalf of SERS' participation in Medicare programs. The System's goal is to maintain a health care reserve account with a 20-year solvency period in order to ensure that fluctuations in the cost of health care do not cause an interruption in the program. However, during any period in which the 20-year solvency period is not achieved, the System shall manage the health care fund on a pay-as-you-go basis.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation

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amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2024, the Center's surcharge obligation was \$17,523.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The Center's contractually required contribution to SERS for health care was \$17,523 for fiscal year 2024. Of this amount, \$17,523 was reported as an intergovernmental payable.

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. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2024, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability (asset) was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The Center's proportion of the net OPEB liability (asset) was based on the Center's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense (gain):

	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset)			
Current Measurement Date	0.03742320%	0.053054330%	
Proportion of the Net OPEB Liability (Asset)			
Prior Measurement Date	0.03679060%	0.050900640%	
Change in Proportionate Share	<u>0.00063260%</u>	<u>0.002153690%</u>	
Proportionate Share of the Net OPEB Liability	\$616,527	\$0	\$616,527
Proportionate Share of the Net OPEB Asset	\$0	(\$1,031,834)	(\$1,031,834)
OPEB Expense (Gain)	(\$64,559)	(\$56,161)	(\$120,720)

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At June 30, 2024, the Center reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
<i>Deferred Outflows of Resources</i>			
Differences between expected and actual experience	\$1,284	\$1,609	\$2,893
Changes of assumptions	208,465	152,003	360,468
Net difference between projected and actual earnings on pension plan investments	4,778	1,845	6,623
Changes in proportionate share and difference between Center contributions and proportionate share of contributions	13,828	416	14,244
Center contributions subsequent to the measurement date	17,523	0	17,523
Total Deferred Outflows of Resources	<u>\$245,878</u>	<u>\$155,873</u>	<u>\$401,751</u>

	SERS	STRS	Total
<i>Deferred Inflows of Resources</i>			
Differences between expected and actual experience	\$317,966	\$157,380	\$475,346
Changes of assumptions	175,101	680,786	855,887
Changes in proportionate share and difference between Center contributions and proportionate share of contributions	38,828	16,645	55,473
Total Deferred Inflows of Resources	<u>\$531,895</u>	<u>\$854,811</u>	<u>\$1,386,706</u>

\$17,523 reported as deferred outflows of resources related to OPEB resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or increase in the net OPEB asset in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (gain) as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2025	(\$104,666)	(\$308,151)	(\$412,817)
2026	(85,690)	(141,967)	(227,657)
2027	(53,209)	(54,660)	(107,869)
2028	(31,682)	(73,500)	(105,182)
2029	(22,368)	(67,301)	(89,669)
Thereafter	<u>(5,925)</u>	<u>(53,359)</u>	<u>(59,284)</u>
Total	<u>(\$303,540)</u>	<u>(\$698,938)</u>	<u>(\$1,002,478)</u>

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2023, are presented below:

Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent, net of investment expense
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Fiduciary Net Position is Projected to be Depleted	2048
Municipal Bond Index Rate:	
Measurement Date	3.86 percent
Prior Measurement Date	3.69 percent
Single Equivalent Interest Rate:	
Measurement Date	4.27 percent
Prior Measurement Date	4.08 percent
Health Care Cost Trend Rate	
Medical Trend Assumption:	
Measurement Date	6.75 percent to 4.40 percent
Prior Measurement Date	7.00 percent to 4.40 percent

Mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table. Mortality rates are projected using a fully generational projection with Scale MP-2020.

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020 and was adopted by the Board on April 15, 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 (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected

rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The 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 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. As of June 30, 2023:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash	2.00%	0.75%
US Equity	24.75%	4.82%
Non-US Equity Developed	13.50%	5.19%
Non-US Equity Emerging	6.75%	5.98%
Fixed Income/Global Bonds	19.00%	2.24%
Private Equity	12.00%	7.49%
Real Assets/Real Assets	17.00%	3.70%
Private Debt/Private Credit	5.00%	5.64%
Total	100.00%	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2023, was 4.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2023, was 4.08 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022, and the June 30, 2023, 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 was 3.86 percent at June 30, 2023, and 3.69 percent at June 30, 2022.

Sensitivity of the Center's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

Collins Career Center
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	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
Center's proportionate share of the net OPEB liability	\$788,097	\$616,527	\$481,236
	1% Decrease (5.75% decreasing to 3.40%)	Current Trend Rate (6.75% decreasing to 4.40%)	1% Increase (7.75% decreasing to 5.40%)
Center's proportionate share of the net OPEB liability	\$452,941	\$616,527	\$833,300

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2023 actuarial valuation compared to the prior year are presented below:

	June 30, 2023	June 30, 2022
Projected Salary Increases	Varies by service from 2.50 percent to 8.50 percent	Varies by service from 2.50 percent to 8.50 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent	3.00 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends:		
Medical:		
Pre-Medicare	7.50 percent initial, 4.14 percent ultimate	7.50 percent initial, 3.94 percent ultimate
Medicare	-10.94 percent initial, 4.14 percent ultimate	-68.78 percent initial, 3.94 percent ultimate
Prescription Drug:		
Pre-Medicare	-11.95 percent initial, 4.14 percent ultimate	9.00 percent initial, 3.94 percent ultimate
Medicare	1.33 percent initial, 4.14 percent ultimate	-5.47 percent initial, 3.94 percent ultimate

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

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

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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

*Final target weights reflected at October 1, 2022.

**10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and is net of investment expenses. Over a 30-year period, STRS investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

Sensitivity of the Center's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Center's proportionate share of the net OPEB asset	(\$873,312)	(\$1,031,834)	(\$1,169,889)
Center's proportionate share of the net OPEB asset	Current		
	1% Decrease (\$1,176,295)	Trend Rate (\$1,031,834)	1% Increase (\$857,832)

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 14 - Long-Term Obligations

The changes in the Center's long-term obligations during the fiscal year consist of the following:

	Principal Outstanding 6/30/23	Additions	Reductions	Principal Outstanding 6/30/24	Amount Due Within One Year		
<i>Governmental Activities</i>							
<i>Financed Purchase:</i>							
OSCB COPs 2010 Series B-7.02%	\$1,570,000	\$0	(\$515,000)	\$1,055,000	\$525,000		
Sick Leave Benefits	570,931	448,135	(389,208)	629,858	14,685		
Net Pension Liability	13,351,405	194,671	0	13,546,076	0		
Net OPEB Liability	516,544	99,983	0	616,527	0		
Total Long-Term Liabilities	\$16,008,880	\$742,789	(\$904,208)	\$15,847,461	\$539,685		

Sick leave benefits will be paid from the retirement benefits fund, which is reported as a part of the general fund for financial reporting purposes in accordance with generally accepted accounting principles. Obligations related to employee compensation will be paid from the fund benefitting from their service.

Financed Purchase

2010 Certificates of Participation On May 27, 2010, the Center issued \$7,312,770 in Qualified School Construction Bonds Certificates of Participation (QSCB COPs) for use in upgrading existing facilities. The issuance included the local share of the Ohio School Facilities Vocational Facilities Assistance Program, as well as locally funded initiatives associated with this program. The COPs are paid from the permanent improvement fund. A summary of the COPs is as follows:

Series B – \$5,747,770 COPs issued for use in upgrading existing facilities, as the local portion of the Ohio School Facilities Vocational Facilities Assistance Program. This portion of the debt included issuance costs of \$106,553, which was expensed upon issuance. The Series B COPs were issued through a series of lease agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. In accordance with the lease terms, the project assets are leased to PS&W Holding Company, Inc., and then subleased back to the Center. The COPs were issued through a series of annual leases with an initial lease term of one month which includes the right to renew for sixteen successive one-year terms through June 30, 2026, subject to annual appropriations. To satisfy the trustee requirements, the Center is required to make annual base rent payments for a period of sixteen years, subject to the lease terms and appropriations, semi-annually. The base rent includes an interest component of 7.02 percent. As part of the ARRA Act of 2009, issuers of QSCBs are eligible to receive direct payments from the federal government which offset interest payments on the bonds. As an alternate, QSCBs may be issued as tax credit bonds under which bond holders receive federal tax credits in lieu of interest as a means to significantly reduce the issuer's interest cost. The Center, under agreement with the federal government, has chosen to receive a thirty-five percent semi-annual direct payment from the federal government to help offset interest expense on the Series B QSCB COPs.

The Center has the option to purchase the project facilities on any lease payment date by paying the amount necessary to defease the indenture.

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Annual base rent requirements to retire certificates of participation outstanding at June 30, 2024 are as follows:

Fiscal Year Ending June 30	Series B Principal	Series B Interest	Series B ARRA Subsidy	Series B Total
2025	\$525,000	\$55,633	(\$43,746)	\$536,887
2026	530,000	18,603	(14,628)	533,975
Total	<u>\$1,055,000</u>	<u>\$74,236</u>	<u>(\$58,374)</u>	<u>\$1,070,862</u>

The overall debt margin of the Center as of June 30, 2024 was \$164,526,932, with an unvoted debt margin of \$1,828,077.

Note 15 - Interfund Balances and Transfers

During fiscal year 2024, the general fund transferred funds to other governmental funds to subsidize the various programs of the Center.

	Transfers In	Transfers Out
<i>Major Fund:</i>		
General	\$0	\$822,445
<i>Nonmajor Funds:</i>		
Food Service	125,914	0
Classroom Facilities Maintenance	525,273	0
Student Activities	44,724	0
Career Development	8,146	0
Student Wellness	91,402	0
ABLE	<u>26,986</u>	
Total Nonmajor Funds	<u>822,445</u>	0
Total	<u>\$822,445</u>	<u>\$822,445</u>

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Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Interfund receivables and payables at June 30, 2024 consist of the following individual balances, representing monies advanced to funds to be repaid when grant funds or other program revenues are received, and for services rendered by one fund for another:

	Interfund Receivable	Interfund Payable
<i>Major Fund:</i>		
General	\$277,248	\$0
<i>Nonmajor Funds:</i>		
Bond Retirement	0	83,102
Career Development	0	4,873
ABLE	0	57,192
ESSER	0	1,484
Vocational Funds	0	8,494
Pell	0	62,156
Miscellaneous Federal Grants	0	59,947
Total Nonmajor Funds	<hr/> 0	<hr/> 277,248
Total	<hr/> \$277,248	<hr/> \$277,248

Note 16 - Jointly Governed Organizations

Metropolitan Educational Technology Association (META) Solutions – META Solutions is an educational solutions partner providing services across Ohio. META Solutions provides cost-effective fiscal, network, technology and student services, a purchasing cooperative, and other individual services based on each client's needs.

The governing board of META Solutions consists of a president, vice president and six board members who represent the members of META Solutions. The board works with META Solutions' Chief Executive Officer, Chief Operating Officer, a Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to its representation on the Board. The Center paid META Solutions \$63,710 for services provided during the fiscal year. Financial information can be obtained from Ashley Widby, who serves as Chief Financial Officer, at 100 Executive Drive, Marion, Ohio 43302.

Coalition of Rural and Appalachian Schools - The Coalition of Rural and Appalachian Schools is a jointly governed organization of over one hundred school districts in southeastern Ohio. The Coalition is operated by a board which is composed of fourteen members. The board members are composed of one superintendent from each county elected by the school districts within that county. The Coalition provides various services for school 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 school district personnel. The Coalition is not dependent upon the continued participation of the Center and the Center does not maintain an equity interest in or a financial responsibility for the Coalition. The Center paid \$430 in the fiscal year.

Note 17 - Insurance Purchasing Pools

Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP) - The Center participates in the Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect, and the Immediate Past President of the Ohio SchoolComp. The Executive Director of the Ohio

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

SchoolComp, or his designee, serves as coordinator of the plan. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the plan.

Lawrence County Schools Council of Governments Health Benefits Program - The Center participates in the Lawrence County Schools Council of Governments Health Benefits Program (Council), a shared risk pool created pursuant to state statute for the purpose of administering health care benefits. The Council is governed by a Board of Directors, which consists of the superintendent from each participating school district. The Council elects officers for one-year terms to serve on the Board. The Board of Directors exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. The Lawrence County Educational Service Center is the fiscal agent of the Council. Each school district reserves the right to withdraw from the plan. If this is done, no further contributions will be made and the school district will be distributed its net pooled share and all claims submitted by covered members of the school district after the distribution will be exclusively the liability of the school district.

Note 18 - Contingencies

Grants

The Center received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Center at June 30, 2024.

Litigation

The Center is not currently party to any legal proceedings.

State Foundation Funding

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education and Workforce (DEW) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. Adjustments for fiscal year 2024 have been finalized.

Note 19 - Set Asides

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

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

Collins Career Center
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

	<u>Capital Improvements</u>
Set-Aside Balance as of June 30, 2023	\$0
Current Year Set-Aside Requirement	167,302
Current Fiscal Year Offsets	(780,261)
Qualifying Disbursements	(114,125)
Total	<u>(\$727,084)</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	\$0
Set-Aside Balance as of June 30, 2024	<u>\$0</u>

The Center had qualifying disbursements and offsets during the year that reduced the set-aside amount below zero in the capital maintenance set-aside. This extra amount may not be carried forward and used to reduce the set-aside requirements of future years.

Note 20 – New Accounting Principles

For fiscal year 2024, the Center implemented Governmental Accounting Standards Board (GASB) Statement No. 100, “Accounting Changes and Error Corrections”.

GASB Statement No. 100 Statement No. 100, “Accounting Changes and Error Corrections”, prescribes accounting and financial reporting for (1) each category of accounting change and (2) error corrections. Statement 100 also addresses how accounting changes and error corrections should be displayed in financial statements, disclosed in notes, and presented in required supplementary information and supplementary information.

For fiscal year 2024, the Miscellaneous Federal Grants fund presentation was changed from major to nonmajor.

Collins Career Center
Required Supplementary Information
Schedule of the Center's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<i>State Teachers Retirement System</i>										
Center's proportion of the net pension liability	0.052353011%	0.052173980%	0.055095820%	0.055483290%	0.055025600%	0.053704470%	0.053280460%	0.051515973%	0.050900640%	0.053054330%
Center's proportionate share of the net pension liability	\$12,734,064	\$14,419,362	\$18,442,232	\$13,180,174	\$12,098,894	\$11,876,421	\$12,891,975	\$6,586,780	\$11,315,276	\$11,425,217
Center's covered payroll	\$5,300,577	\$5,501,050	\$5,892,207	\$5,880,007	\$6,281,279	\$6,324,829	\$6,261,579	\$6,174,543	\$6,471,807	\$6,994,207
Center's proportionate share of the net pension liability as a percentage of its covered payroll	240.2%	262.1%	313.0%	224.2%	192.6%	187.8%	205.9%	106.7%	174.8%	163.4%
Plan fiduciary net position as a percentage of the total pension liability	74.7%	72.1%	66.8%	75.3%	77.3%	77.4%	75.5%	87.8%	78.9%	80.0%
<i>School Employees Retirement System</i>										
Center's proportion of the net pension liability	0.033854007%	0.041522000%	0.043976800%	0.039637200%	0.035739200%	0.037688500%	0.037073300%	0.037026400%	0.037644900%	0.038383000%
Center's proportionate share of the net pension liability	\$1,713,332	\$2,369,286	\$3,218,696	\$2,368,235	\$2,046,850	\$2,254,969	\$2,452,106	\$1,366,167	\$2,036,129	\$2,120,859
Center's covered payroll	\$938,355	\$1,192,185	\$1,365,757	\$1,176,171	\$1,175,578	\$1,228,333	\$1,202,264	\$1,186,843	\$1,314,350	\$1,416,643
Center's proportionate share of the net pension liability as a percentage of its covered payroll	182.6%	198.7%	235.7%	201.4%	174.1%	183.6%	204.0%	115.1%	154.9%	149.7%
Plan fiduciary net position as a percentage of the total pension liability	71.7%	69.2%	63.0%	69.5%	71.4%	70.9%	68.6%	82.9%	75.8%	76.1%

The amounts presented are as of the Center's measurement date, which is the prior fiscal year end.
 See the accompanying required notes to the supplementary information.

Collins Career Center
Required Supplementary Information
Schedule of the Center's Proportionate Share of the Net OPEB Liability (Asset)
Last Eight Fiscal Years

	2017	2018	2019	2020	2021	2022	2023	2024
<i>State Teachers Retirement System</i>								
Center's proportion of the net OPEB liability (asset)	0.055095820%	0.055483290%	0.055025600%	0.053704470%	0.053280460%	0.051515973%	0.050900640%	0.053054330%
Center's proportionate share of the net OPEB liability (asset)	\$2,967,261	\$2,164,753	(\$884,205)	(\$889,475)	(\$936,403)	(\$1,086,172)	(\$1,317,986)	(\$1,031,834)
Center's covered payroll	\$5,892,207	\$5,880,007	\$6,281,279	\$6,324,829	\$6,261,579	\$6,174,543	\$6,471,807	\$6,994,207
Center's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	50.4%	36.8%	-14.1%	-14.1%	-15.0%	-17.6%	-20.4%	-14.8%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	37.3%	47.1%	176.0%	174.7%	182.1%	174.7%	230.7%	168.5%
<i>School Employees Retirement System</i>								
Center's proportion of the net OPEB liability	0.043976800%	0.038126400%	0.034168700%	0.035860700%	0.035617400%	0.036103100%	0.036790600%	0.037423200%
Center's proportionate share of the net OPEB liability	\$1,086,743	\$1,023,212	\$947,932	\$901,821	\$774,083	\$683,281	\$516,544	\$616,527
Center's covered payroll	\$1,365,757	\$1,176,171	\$1,175,578	\$1,228,333	\$1,202,264	\$1,186,843	\$1,314,350	\$1,416,643
Center's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	79.6%	87.0%	80.6%	73.4%	64.4%	57.6%	39.3%	43.5%
Plan fiduciary net position as a percentage of the total OPEB liability	11.5%	12.5%	13.8%	15.6%	18.2%	24.1%	30.3%	30.0%

The amounts presented are as of the Center's measurement date, which is the prior fiscal year end.

Information not available prior to 2017.

See the accompanying required notes to the supplementary information.

Collins Career Center
Required Supplementary Information
Schedule of Center Contributions
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<i>State Teachers Retirement System</i>										
Contractually required contribution - pension	\$770,147	\$824,909	\$823,201	\$879,379	\$885,476	\$876,621	\$864,436	\$906,053	\$979,189	\$1,104,146
Contractually required contribution - OPEB	0	0	0	0	0	0	0	0	0	0
Contractually required contribution - total	770,147	824,909	823,201	879,379	885,476	876,621	864,436	906,053	979,189	1,104,146
Contributions in relation to the contractually required contribution	770,147	824,909	823,201	879,379	885,476	876,621	864,436	906,053	979,189	1,104,146
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School District's covered payroll	\$5,501,050	\$5,892,207	\$5,880,007	\$6,281,279	\$6,324,829	\$6,261,579	\$6,174,543	\$6,471,807	\$6,994,207	\$7,886,757
Contributions as a percentage of covered payroll - pension	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Contributions as a percentage of covered payroll - OPEB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a percentage of covered payroll - total	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
<i>School Employees Retirement System</i>										
Contractually required contribution - pension	\$157,130	\$191,206	\$164,664	\$158,703	\$165,825	\$168,317	\$166,158	\$184,009	\$198,330	\$213,069
Contractually required contribution - OPEB (1)	9,776	0	0	5,878	6,142	0	0	0	0	0
Contractually required contribution - total	166,906	191,206	164,664	164,581	171,967	168,317	166,158	184,009	198,330	213,069
Contributions in relation to the contractually required contribution	166,906	191,206	164,664	164,581	171,967	168,317	166,158	184,009	198,330	213,069
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School District's covered payroll	\$1,192,185	\$1,365,757	\$1,176,171	\$1,175,578	\$1,228,333	\$1,202,264	\$1,186,843	\$1,314,350	\$1,416,643	\$1,521,921
Contributions as a percentage of covered payroll - pension	13.18%	14.00%	14.00%	13.50%	13.50%	14.00%	14.00%	14.00%	14.00%	14.00%
Contributions as a percentage of covered payroll - OPEB	0.82%	0.00%	0.00%	0.50%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a percentage of covered payroll - total	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

(1) Excludes surcharge.

See the accompanying required notes to the supplementary information.

State Teachers Retirement System

Pension

Changes in benefit terms

There were no changes to benefit terms for fiscal years 2015 through 2017. For fiscal year 2018, the cost of living adjustment (COLA) was reduced to 0 percent effective July 1, 2017. There were no changes to benefit terms for fiscal years 2019 through 2024.

Changes in assumptions

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

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

- Inflation assumptions were lowered from 2.75 percent to 2.5 percent.
- Investment return assumptions were lowered from 7.75 percent to 7.45 percent.
- Total salary increases rates were lowered by decreasing merit component of the individual salary increases, as well as by 0.25 percent due to lower inflation.
- Payroll growth assumptions were lowered from 3.5 percent to 3.0 percent.
- Updated the health and disability mortality assumption to the RP-2014 mortality tables with generational improvement scale MP-2016.
- Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

There were no changes in assumptions for fiscal years 2019 through 2021.

For fiscal year 2022, the following was the most significant change of assumptions that affected the total pension liability since the prior measurement date:

- Investment rate of return and discount rate of return assumptions were lowered from 7.45 percent to 7.0 percent.

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

- Updated the health and disability mortality assumption to the PUB-2010 mortality tables with generational improvement scale MP-2020.
- The projected salary increases changed from 12.50 percent at age 20 to 2.50 percent at age 65 to varying by service from 2.50 percent to 8.50 percent.

There were no changes in assumptions for fiscal year 2024.

OPEB

Changes in benefit terms

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

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

- The HealthSpan HMO plans were eliminated.

Collins Career Center
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

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

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

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

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

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

For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in calendar year 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

There were no changes to benefit terms for fiscal years 2023 and 2024.

Changes in assumptions

There were no changes in assumptions for fiscal year 2017.

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

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

Collins Career Center
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

- The assumed salary scale was modified.

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

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

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

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

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

- The health care trend assumption rate changed as follows:
 - Medical Medicare – from 4.93 percent to -6.69 percent initial, 4 percent ultimate
 - Medical Pre-Medicare – from 5.87 percent to 5 percent initial, 4 percent ultimate
 - Prescription Drug Medicare – from 9.62 percent to 11.87 percent initial, 4 percent ultimate
 - Prescription Drug Pre-Medicare – from 7.73 percent to 6.5 initial, 4 percent ultimate

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

- The discount rate increased from 7.45 percent to 7.0 percent.
- The health care trend assumption rate changed as follows:
 - Medical Medicare – from -6.69 percent initial, 4 percent ultimate to -16.18 percent initial, 4 percent ultimate
 - Prescription Drug Medicare – from 11.87 percent initial, 4 percent ultimate to 29.98 percent initial, 4 percent ultimate

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

- The health care trend assumption rate changed as follows:
 - Medical Pre-Medicare – from 5.00 percent initial, 4 percent ultimate to 7.50 percent initial, 3.94 percent ultimate
 - Medical Medicare – from -16.18 percent initial, 4 percent ultimate to -68.78 percent initial, 3.94 percent ultimate
 - Prescription Drug Pre-Medicare – from 6.50 percent initial, 4 percent ultimate to 9.00 percent initial, 3.94 percent ultimate
 - Prescription Drug Medicare – from 29.98 percent initial, 4 percent ultimate to -5.47 percent initial, 3.94 percent ultimate
- Updated the health and disability mortality assumption to the PUB-2010 mortality tables with generational improvement scale MP-2020.

Collins Career Center
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

- The projected salary increases changed from 12.50 percent at age 20 to 2.50 percent at age 65 to varying by service from 2.50 percent to 8.50 percent.

For fiscal year 2024, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
 - Medical Pre-Medicare – from 7.50 percent initial, 3.94 percent ultimate to 7.50 percent initial, 4.14 percent ultimate
 - Medical Medicare – from -68.78 percent initial, 3.94 percent ultimate to -10.94 percent initial, 4.14 percent ultimate
 - Prescription Drug Pre-Medicare – from 9.00 percent initial, 3.94 percent ultimate to -11.95 percent initial, 4.14 percent ultimate
 - Prescription Drug Medicare – from -5.47 percent initial, 3.94 percent ultimate to 1.33 percent initial, 4.14 percent ultimate

School Employees Retirement System

Pension

Changes in benefit terms

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

For fiscal year 2018, the following were the most significant changes in benefit that affected the total pension liability since the prior measurement date:

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

There were no changes to benefit terms for fiscal years 2019 through 2021.

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

- The cost-of-living adjustment was changed from 2.5 percent to 2.0 percent.

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

- The cost-of-living adjustment was changed from 2.0 percent to 2.5 percent.

There were no changes to benefit terms for fiscal year 2024.

Changes in assumptions

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

For fiscal year 2018, the following changes were made to the actuarial assumptions as identified. These new assumptions compared with those used in fiscal year 2016 and prior are presented below:

- Assumed rate of inflation was reduced from 3.25 percent to 3.0 percent

Collins Career Center
*Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024*

- Payroll Growth Assumption was reduced from 4.0 percent to 3.5 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.5 percent
- Investment rate of return was reduced from 7.75 percent to 7.5 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age setback for both males and females. The above rates represent the base rates used.
- Mortality among service retired members, and beneficiaries was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates.
- Mortality among disabled member was updated to the following:
 - RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

There were no changes in assumptions for fiscal years 2019 through 2021.

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

- Assumed rate of inflation was reduced from 3.0 percent to 2.4 percent
- Payroll Growth Assumption was reduced from 3.5 percent to 3.25 percent
- Investment rate of return was reduced from 7.5 percent to 7.0 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among members was updated to the following:
 - PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females.
- Mortality among disabled members was updated to the following:
 - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females.

There were no changes in assumptions for fiscal years 2023 and 2024.

OPEB

Changes in benefit terms

There were no changes to benefit terms for fiscal years 2017 through 2024.

Changes in assumptions

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

- Assumed rate of inflation was reduced from 3.25 percent to 3.0 percent
- Payroll growth assumption was reduced from 4.0 percent to 3.5 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.5 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age setback for both males and females.
- Mortality among service retired members, and beneficiaries was updated to the following:

Collins Career Center
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

- RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates.
- Mortality among disabled members was updated to the following:
 - RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

- The discount rate was increased from 2.98 percent to 3.63 percent.
- The municipal bond index rate increased from 2.92 percent to 3.56 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98 percent to 3.63 percent.

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

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

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

- The municipal bond index rate decreased from 3.62 percent to 3.13 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70 percent to 3.22 percent.
- The medical trend assumption rate changed as follows:
 - Medicare – 2019 – 5.375 to 4.75 percent, 2020 – 5.25 to 4.75 percent
 - Pre-Medicare – 2019 – 7.25 to 4.75, 2020 – 7 to 4.75 percent

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

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

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

- The inflation rate decreased from 3.0 percent to 2.4 percent.
- Projected salary increases decreased from 3.5 percent to 3.25 percent.
- Investment rate of return decreased from 7.5 percent to 7.0 percent.
- The municipal bond index rate decreased from 2.45 percent to 1.92 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 2.63 percent to 2.27 percent.

Collins Career Center
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

- The medical trend assumption rate changed as follows:
 - Medicare – 2020 – 5.25 to 4.75 percent, 2022 – 5.125 to 4.4 percent
 - Pre-Medicare – 2020 – 7 to 4.75 percent, 2022 – 6.75 to 4.4 percent
- Mortality among members was updated to the following:
 - PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females.
- Mortality among disabled members was updated to the following:
 - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females.

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

- The municipal bond index rate increased from 1.92 percent to 3.69 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.27 percent to 4.08 percent.

For fiscal year 2024, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate increased from 3.69 percent to 3.86 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 4.08 percent to 4.27 percent.
- The medical trend assumption decreased from 7.00 percent to 6.75 percent.

Collins Career Center
 Schedule of Expenditures of Federal Awards
 For the Year Ended Jue 30, 2024

FEDERAL GRANTOR <i>Pass-Through Grantor</i> Program / Cluster Title	Federal AL Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Education:</i>			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	N/A	\$ 18,177
Cash Assistance:			
School Breakfast Program	10.553	N/A	49,525
National School Lunch Program	10.555	N/A	156,823
COVID - 19 National School Lunch Program	10.555	N/A	19,979
Cash Assistance Subtotal			<u>226,327</u>
Total Child Nutrition Cluster			244,504
COVID-19 State P-EBT Administrative Costs Grant	10.649	N/A	3,236
Total U.S. Department of Agriculture			<u>247,740</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Direct from the Federal Agency</i>			
Student Financial Assistance Cluster:			
Federal Direct Student Loans	84.268	N/A	3,192,200
Federal Pell Grant Program	84.063	N/A	2,602,724
Total Student Financial Assistance Cluster			<u>5,794,924</u>
<i>Passed through the Ohio Department of Education and Workforce</i>			
Career and Technical Education - Basic Grants to States	84.048	N/A	727,439
Adult Education -Basic Grants to States	84.002	N/A	449,126
<i>Passed Through Ohio Department of Education:</i>			
COVID - 19 Education Stabilization Fund	84.425D	N/A	1,660,837
COVID - 19 Governor's Emergency Education Relief Fund - GEER II	84.425C	N/A	16,999
COVID - 19 ARP Homeless Targeted Support Grant	84.425W	N/A	91,939
			<u>1,769,775</u>
Total U.S. Department of Education			<u>8,741,264</u>
Total Expenditures of Federal Awards			<u>\$8,989,004</u>

The accompanying notes are an integral part of this Schedule.

Collins Career Center
Notes to the Schedule of Expenditures of Federal Awards
2 CFR § 200.510(b)(6)
For the Year Ended June 30, 2024

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Collins Career Center (the Center) under programs of the federal government for the year ended June 30, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Center, it is not intended to and does not present the financial position or changes in net position of the Center.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Center has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note C – Guaranteed Student Loans

Non-monetary assistance is reported in the schedule at the dollar amount of guaranteed student loans disbursed.

Note D – Food Donation Program

The Center reports commodities consumed on the schedule at the fair value. The Center allocated donated food commodities to the respective program that benefited from the use of those donated food commodities.

Note E – Child nutrition Cluster

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



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

Collins Career Center
Lawrence County
11627 State Route 243
Chesapeake, Ohio 45619

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Collins Career Center, Lawrence County, (the Center) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements and have issued our report thereon dated February 24, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Collins Career Center
Lawrence County
Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

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

Purpose of This Report

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

BHM CPA Group

BHM CPA Group Inc.
Portsmouth, Ohio
February 24, 2025



**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**

Collins Career Center
Lawrence County
11627 State Route 243
Chesapeake, Ohio 45619

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Collins Career Center's, Lawrence County, (Center) 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 Collins Career Center's major federal program for the year ended June 30, 2024. Collins Career Center's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Collins Career Center 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, 2024.

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

Responsibilities of Management for Compliance

The Center'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 Center's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Center's compliance with the requirements of 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 Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.

Collins Career Center

Lawrence County

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

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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.

BHM CPA Group

BHM CPA Group, Inc.

Portsmouth, Ohio

February 24, 2025

Collins Career Center**Schedule of Findings***2 CFR § 200.515*

June 30, 2024

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Student Financial Assistance Cluster: ALN 84.063 and 84.268
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520 ?	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**None****3. FINDINGS FOR FEDERAL AWARDS****None**

Collins Career Center
Summary Schedule of Prior Audit Findings
2 CFR 200.511(b)
June 30, 2024

Finding Number	Finding Summary	Status	Additional Information
2023-001	Noncompliance/Material Weakness – Procurement, Suspension and Debarment	Corrective Action Taken and Finding is Fully Corrected	
2023-002	Noncompliance/Material Weakness – Reporting	Corrective Action Taken and Finding is Fully Corrected	

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OHIO AUDITOR OF STATE KEITH FABER



COLLINS CAREER CENTER

LAWRENCE 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 5/8/2025

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

This report is a matter of public record and is available online at
www.ohioauditor.gov