



**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
FAIRFIELD 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
Amanda-Clearcreek Local School District
328 E. Main St.
Amanda, OH 43102

We have reviewed the *Independent Auditor's Report* of the Amanda-Clearcreek Local School District, Fairfield County, prepared by Perry & Associates, Certified Public Accountants, A.C., 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 Amanda-Clearcreek Local School District is responsible for compliance with these laws and regulations.

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

Keith Faber
Auditor of State
Columbus, Ohio

April 23, 2025

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AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

Amanda-Clearcreek Local School District
Fairfield County
328 East Main Street
Amanda, Ohio 43102

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Amanda-Clearcreek Local School District**, Fairfield County, Ohio (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Amanda-Clearcreek Local School District, Fairfield County, Ohio as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General 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 District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Expenditures of Federal Awards 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 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 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 January 24, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Perry & Associates CPA's A.C." The signature is fluid and cursive, with "Perry & Associates" on the top line and "CPA's A.C." on the bottom line.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

January 24, 2025

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

The discussion and analysis of the Amanda-Clearcreek Local School District's (the School District) financial performance provides an overview and analysis of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review our notes to the basic financial statements and the financial statements themselves to enhance their understanding of the School District's financial performance.

Financial Highlights

- < The assets and deferred outflows of the School District exceeded its liabilities and deferred inflows at June 30, 2024 by \$27,257,224. Of this amount, \$30,504,762 represents net investments in capital assets and net position amounts restricted for specific purposes and the deficit balance of \$3,247,538 represents unrestricted net position.
- < In total, net position of governmental activities decreased by \$258,344, which represents an .94 percent decrease from 2023.
- < General revenues accounted for \$21,683,792 or 77.08 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$6,447,197 or 22.92 percent of total revenues of \$28,130,989.
- < The School District had \$28,389,333 in expenses related to governmental activities; only \$6,447,197 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes and grants and entitlements) of \$21,683,792 were used to provide for the remainder of these programs.
- < The School District recognizes three major governmental funds: the General Fund, Building Fund and Capital Projects Fund. In terms of dollars received and spent, the General Fund is significantly larger than all the other funds of the School District combined. The General Fund had \$24,822,586 in revenues and other financing sources and \$28,085,259 in expenditures and other financing uses in fiscal year 2024.

Using this Annual Report

This report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Amanda-Clearcreek Local School District as a financial whole, an entire operating entity.

The Statement of Net Position and the Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's major funds with all other nonmajor funds presented in total in one column.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

Reporting the School District as a Whole

Government-Wide Financial Statements

One of the most important questions asked about the School District is “How did we do financially during fiscal year 2024?” The Statement of Net Position and the Statements of Activities, which appear first in the School District’s financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These government-wide financial statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net position and changes in those assets. The change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District’s goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District’s property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District has only one kind of activity:

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

Reporting the District’s Most Significant Funds

Fund Financial Statements

The analysis of the School District’s major funds begins on page 11. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s major funds, which are the General Fund, Building Fund, and Capital Projects Fund.

Governmental Funds

Most of the School District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at 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 School District’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Proprietary Fund

The School District's only proprietary fund is an internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District's internal service fund is to account for health, dental, and vision self-insurance. The proprietary fund uses the accrual basis of accounting.

Fiduciary Funds

The School District's fiduciary fund is a custodial fund. All of the School District's fiduciary assets are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds use the accrual basis of accounting.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net position for 2024 compared to fiscal year 2023:

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AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Net Position at Year End

	Governmental Activities		
	2024	2023	Change
<u>Assets:</u>			
Current and Other Assets	\$51,105,388	\$29,806,493	\$21,298,895
Net OPEB Asset	1,141,836	1,454,441	(312,605)
Capital Assets, Net	24,167,874	23,326,504	841,370
<i>Total Assets</i>	<i>76,415,098</i>	<i>54,587,438</i>	<i>21,827,660</i>
<u>Deferred Outflows of Resources:</u>			
Pension	4,632,737	4,611,757	20,980
OPEB	933,595	406,434	527,161
<i>Total Deferred Outflows of Resources</i>	<i>5,566,332</i>	<i>5,018,191</i>	<i>548,141</i>
<u>Liabilities:</u>			
Current and Other Liabilities	3,750,791	2,671,033	1,079,758
<i>Long-Term Liabilities:</i>			
Due Within One Year	803,720	403,336	400,384
Due in More than One Year:			
Net Pension Liability	16,869,234	16,165,413	703,821
Net OPEB Liability	1,292,795	985,350	307,445
Other Amounts	23,810,992	2,916,028	20,894,964
<i>Total Liabilities</i>	<i>46,527,532</i>	<i>23,141,160</i>	<i>23,386,372</i>
<u>Deferred Inflows of Resources:</u>			
Property Taxes	5,198,111	5,094,171	103,940
Pension	975,589	1,458,201	(482,612)
OPEB	2,022,974	2,396,529	(373,555)
<i>Total Deferred Inflows of Resources</i>	<i>8,196,674</i>	<i>8,948,901</i>	<i>(752,227)</i>
<u>Net Position:</u>			
Net Investment in Capital Assets	19,380,035	20,763,104	(1,383,069)
Restricted	11,124,727	5,807,184	5,317,543
Unrestricted	(3,247,538)	945,280	(4,192,818)
<i>Total Net Position</i>	<i>\$27,257,224</i>	<i>\$27,515,568</i>	<i>(\$258,344)</i>

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2024. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2024

(Unaudited)

schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the Statement of Net Position.

Total assets of governmental activities increased \$21,827,660. The majority of this increase is primarily in current assets due mainly to increases in equity in pooled cash and cash equivalents from debt proceeds during the year. Capital assets increased \$841,370 due to the current year asset additions exceeding the current year deletions and depreciation.

Total liabilities increased \$23,386,372. The increase is largely the result of the liabilities from the \$21,000,000 of certificates of participation issued during fiscal year 2024.

The total net position decreased \$258,344. Unrestricted net position decreased \$4,192,818.

Table 2 shows the highlights of the School District's revenues and expenses for fiscal years 2024 and 2023. These two main components are subtracted to yield the change in net position. This table uses the full accrual method of accounting.

Revenue is further divided into two major components: Program Revenues and General Revenues. Program Revenues are defined as charges for services and sales, operating grants, contributions, and interest. General Revenues include property taxes, income taxes, unrestricted grants, such as State foundation support, unrestricted investment earnings and miscellaneous revenues.

Expenses are shown in programs that are easily identifiable utilizing the current Uniform School Accounting System (USAS) coding structure.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2024 and 2023.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

	Changes in Net Position		
	Governmental Activities		
	2024	2023	Change
<u>Revenues:</u>			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$1,428,117	\$1,419,686	\$8,431
Operating Grants and Contributions	5,019,080	4,855,089	163,991
<i>General Revenues:</i>			
Property Taxes	5,816,049	5,305,359	510,690
Income Taxes	5,052,407	4,914,808	137,599
Unrestricted Grants and Entitlements	9,166,054	9,082,106	83,948
Investment Earnings	1,600,010	446,928	1,153,082
Miscellaneous	49,272	292,301	(243,029)
<i>Total Revenues</i>	<u>28,130,989</u>	<u>26,316,277</u>	<u>1,814,712</u>
<u>Expenses:</u>			
<i>Instruction:</i>			
Regular	10,638,814	8,073,682	2,565,132
Special	5,344,274	4,414,571	929,703
Vocational	571,734	363,076	208,658
Student Intervention Services	12,162	5,834	6,328
Other	26,470	63,350	(36,880)
<i>Support Services:</i>			
Pupils	1,319,715	1,242,833	76,882
Instructional Staff	994,583	864,353	130,230
Board of Education	325,110	41,336	283,774
Administration	1,343,456	996,815	346,641
Fiscal	713,551	485,425	228,126
Business	60,508	51,102	9,406
Operation and Maintenance of Plant	2,447,682	2,457,898	(10,216)
Pupil Transportation	1,416,319	1,178,349	237,970
Central	167,478	155,632	11,846
<i>Operation of Non-Instructional Services:</i>			
Food Services	1,181,906	1,052,683	129,223
Extracurricular Activities	726,568	654,446	72,122
Interest and Fiscal Charges	620,748	15,845	604,903
Issuance Costs	478,255	0	478,255
<i>Total Expenses</i>	<u>28,389,333</u>	<u>22,117,230</u>	<u>6,272,103</u>
<i>Change in Net Position</i>	<u>(258,344)</u>	<u>4,199,047</u>	<u>(4,457,391)</u>
Net Position at Beginning of Year	<u>27,515,568</u>	<u>23,316,521</u>	<u>4,199,047</u>
Net Position at End of Year	<u><u>\$27,257,224</u></u>	<u><u>\$27,515,568</u></u>	<u><u>(\$258,344)</u></u>

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

The most significant program expenses for the District are Regular Instruction, Special Instruction, Operation and Maintenance of Plant, Pupil Transportation, and Pupils. These programs account for 74.56 percent of the total governmental activities. Regular Instruction, which accounts for 37.47 percent of the total, represents costs associated with providing general educational services. Special Instruction, which represents 18.82 percent of the total, represents costs associated with providing educational services for handicapped, disadvantaged and other special needs students. Operation and Maintenance of Plant, which represents 8.62 percent of the total, represents costs associated with operating and maintaining the District's facilities. Pupil Transportation, which represents 4.99 percent of the total, represents costs associated with providing transportation services for students between home and school and to school activities. Pupils, which represents 4.65 percent of the total cost, represents costs associated with activities designed to assess and improve the well-being of pupils and supplement the teaching process.

The majority of the funding for the most significant programs indicated above is from property taxes, income taxes, operating grants and contributions, and grants and entitlements not restricted for specific programs. Property taxes, income taxes, operating grants and contributions and grants and entitlements not restricted for specific programs accounts for 89.06 percent of total revenues.

As noted previously, the net position for governmental activities decreased (\$258,344), or 0.94 percent. This is a change from last year when net position increased \$4,199,047 or 18.01 percent. Total revenues increased \$1,814,712 or 6.90 percent over the last year and expenses increased \$6,272,103 or 28.36 percent over last year.

The District had program revenue increases of \$172,422 and an increase in general revenues of \$1,642,290. The increase in program revenues is due to an increase in operating grants and contributions and the increase in general revenues is due to an increase in property taxes, income taxes, investment earnings and unrestricted grants and entitlements.

The total expenses for governmental activities increased in several program expense categories. The most significant increase was in regular instruction and special instruction. The 6.3 million increase in expenditures, is mainly the result of the effect on expenses of the increase in net pension/OPEB liabilities.

Governmental Activities

Over the past several fiscal years, the School District has remained in stable financial condition. This has been accomplished through strong voter support and good fiscal management. The School District is heavily dependent on property taxes, income taxes and intergovernmental revenue and, like most Ohio schools, is hampered by a lack of revenue growth. Property taxes made up 20.67 percent, income taxes made up 17.96 percent, and intergovernmental revenue made up 50.43 percent of the total revenue for the governmental activities in fiscal year 2024.

The Ohio Legislature passed H.B. 920 (1976) and changed the way property taxes function in the State. The overall revenue generated by a levy will not increase solely as a result of inflation. As an example, the School District would receive from a home valued at \$100,000 and taxed at 1.0 mill, \$35.00 annually. If three years later the home were reappraised and the value increased to \$200,000 (and this increase in value is comparable to other property owners) the effective tax rate would become 0.5 mill and the School District would still receive \$35.00 annually. Therefore, the School District must regularly return to the voters to maintain a constant level of service.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

The School District's intergovernmental revenue consists primarily of school foundation basic allowance, homestead and rollback property tax allocation, and federal and state grants. During fiscal year 2024, the School District received \$10,558,244 through the State's foundation program, which represents 37.53 percent of the total revenue for the governmental activities. The School District relies heavily on this state funding to operate at the current levels of service.

Instruction accounts for 58.45 percent of governmental activities program expenses. Support services expenses make up 30.96 percent of governmental activities expenses. The Statement of Activities shows the cost of program services and charges for services and grants offsetting those services.

Table 3 shows, for governmental activities, the total cost of services and the net cost of services for fiscal year 2024 compared with fiscal year 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	Net Cost of Governmental Activities		Total Cost of Services 2023	Net Cost of Services 2023
	Total Cost of Services 2024	Net Cost of Services 2024		
<i>Program Expenses:</i>				
Instruction	\$16,593,454	\$13,597,588	\$12,920,513	\$10,159,651
Support Services	8,788,402	6,669,231	7,473,743	5,314,655
Operation of Non-Instructional Services	1,181,906	136,833	1,052,683	29,551
Extracurricular Activities	726,568	439,481	654,446	322,753
Issuance Costs	478,255	478,255	0	0
Interest and Fiscal Charges	620,748	620,748	15,845	15,845
Total Expenses	\$28,389,333	\$21,942,136	\$22,117,230	\$15,842,455

The School District's Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$28,141,671, and expenditures of \$28,626,628. The net change in fund balance for the year was most significant in the Building Fund with an increase of \$19,032,554, which is the result of certificate of participation issued. The General Fund had a significant decrease in fiscal year 2024 of \$3,262,673, which is due to a \$4.2 million increase in expenditures. The Capital Projects Fund had a significant increase in fiscal year 2024 of \$5,482,169, which is due to an increase in transfers in from the General Fund.

General Fund - Budget Highlights

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

During the course of fiscal year 2024, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A summary of the general fund original and final budgeted amounts is listed on page 20, as well as the actual amounts. A variance comparison is presented between the final budgeted amount and the actual amounts.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

A review of the budgetary comparison statement for the general fund reflects an overall increase of \$3,121,455 between the original budget and final budgeted revenues which includes other financing sources. This increase was mainly due to the School District anticipating receiving more property tax revenue and interest revenue.

Final appropriations were \$5,370,779 more than original appropriations, including other financing use, mainly due to the School District making adjustments during the fiscal year as it attempted to deal with changes in expenditures as they occurred. The decrease in expenditures from the final budget to actual expenditures including other financing uses was \$297,721, which is mostly related to the School District closely monitoring expenditures.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2024, the School District had \$24,167,874 invested in land, construction in progress, land improvements, buildings and improvements, furniture, fixtures and equipment, capital leased equipment vehicles, and textbooks, which represented an increase of \$841,370 from fiscal year 2023. The increase was due to current fiscal year capitalized purchases and improvements exceeding current year depreciation and deletions. For more information on capital assets, refer to Note 11 in the notes to the basic financial statements.

Table 4
Capital Assets & Accumulated Depreciation at Year End

	Governmental Activities	
	2024	2023
<i>Nondepreciable Capital Assets:</i>		
Land	\$292,457	\$292,457
Construction in Progress	1,304,316	330,308
<i>Depreciable Capital Assets:</i>		
Land Improvements	4,407,794	4,398,357
Buildings and Improvements	40,827,955	40,591,423
Furniture, Fixtures and Equipment	2,184,741	1,816,441
Textbooks	887,213	887,213
Vehicles	3,042,042	2,144,194
<i>Total Capital Assets</i>	<u>52,946,518</u>	<u>50,460,393</u>
<i>Less Accumulated Depreciation:</i>		
Land Improvements	2,863,080	2,694,750
Buildings and Improvements	22,285,645	20,907,818
Furniture, Fixtures and Equipment	1,032,859	1,170,330
Textbooks	887,213	887,213
Vehicles	1,709,847	1,473,778
<i>Total Accumulated Depreciation</i>	<u>28,778,644</u>	<u>27,133,889</u>
<i>Capital Assets, Net</i>	<u>\$24,167,874</u>	<u>\$23,326,504</u>

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

More detailed information pertaining to the School District's capital asset activity can be found in Note 11 of the notes to the basic financial statements.

Debt Administration

At June 30, 2024, the School District had outstanding certificates of participation. The School District also had a lease-purchase agreement entered into during fiscal year 2021 with an unpaid balance of \$2,272,100. For more information on debt administration, refer to Notes 16 and 17 of the notes to the basic financial statements.

Table 5
Outstanding Debt, Governmental Activities at Year End

Purpose	2024	2023
2023 Certificates of Participation	\$14,500,000	\$0
2024 Certificates of Participation	6,500,000	0
Total	<u><u>\$21,000,000</u></u>	<u><u>\$0</u></u>

Current Issues

Amanda-Clearcreek Local School District has remained in stable financial condition. As indicated in the preceding financial information, the School District is dependent upon property taxes as well as additional local funding. Property tax revenue makes up 20.67 percent of the School District's revenues. In the past, the School District has had to return to the voters to maintain a constant level of service due to increases in the cost to do business. The School District's voters passed a 2 percent earned income tax levy which began to be collected on January 1, 2020, for a period of 15 years. Income taxes make up 17.96 percent of the School District's fiscal year 2024 revenue. Careful financial planning and the continued support of local funding has permitted the School District to continue to provide a quality education for its students.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Lana Fairchild, Treasurer of Amanda-Clearcreek Local School Board of Education, 328 East Main Street, Amanda, Ohio 43102.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Statement of Net Position

June 30, 2024

	Governmental Activities
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$41,667,293
Cash and Cash Equivalents With Fiscal Agent	1,230,757
Property Taxes Receivable	5,888,512
Income Taxes Receivable	1,953,135
Accounts Receivable	7,770
Intergovernmental Receivable	273,604
Prepaid Items	28,587
Materials and Supplies Inventory	6,181
Accrued Interest Receivable	17,674
Inventory Held for Resale	31,875
Net OPEB Asset	1,141,836
Nondepreciable Capital Assets	1,596,773
Depreciable Capital Assets, Net	<u>22,571,101</u>
<i>Total Assets</i>	<u>76,415,098</u>
<u>Deferred Outflows of Resources:</u>	
Pension	4,632,737
OPEB	<u>933,595</u>
<i>Total Deferred Outflows of Resources</i>	<u>5,566,332</u>
<u>Liabilities:</u>	
Accounts Payable	115,501
Accrued Wages and Benefits	2,105,028
Contracts Payable	666,095
Intergovernmental Payable	315,184
Matured Compensated Absences Payable	8,502
Accrued Interest Payable	89,281
Claims Payable	451,200
<i>Long-Term Liabilities:</i>	
Due within One Year	803,720
<i>Due in More Than One Year:</i>	
Net Pension Liability	16,869,234
Net OPEB Liability	1,292,795
Other Amounts Due in More Than One Year	<u>23,810,992</u>
<i>Total Liabilities</i>	<u>46,527,532</u>
<u>Deferred Inflows of Resources:</u>	
Property Taxes	5,198,111
Pension	975,589
OPEB	<u>2,022,974</u>
<i>Total Deferred Inflows of Resources</i>	<u>8,196,674</u>
<u>Net Position:</u>	
Net Investment in Capital Assets	19,380,035
<i>Restricted for:</i>	
Capital Outlay	10,482,169
District Managed Activities	52,572
Classroom Facilities Maintenance	21,194
State Grants	82,300
Federal Grants	5,810
Food Service	294,025
Local Grants	15,352
Student Activities	111,817
Other Purposes	59,488
Unrestricted	<u>(3,247,538)</u>
<i>Total Net Position</i>	<u>\$27,257,224</u>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2024

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	
	<u>Expenses</u>			
<u>Governmental Activities:</u>				
<i>Instruction:</i>				
Regular	\$10,638,814	\$713,492	\$167,795	(\$9,757,527)
Special	5,344,274	1,409	2,019,282	(3,323,583)
Vocational	571,734	0	93,888	(477,846)
Student Intervention Services	12,162	0	0	(12,162)
Other	26,470	0	0	(26,470)
<i>Support Services:</i>				
Pupils	1,319,715	0	72,305	(1,247,410)
Instructional Staff	994,583	0	81,723	(912,860)
Board of Education	325,110	0	0	(325,110)
Administration	1,343,456	919	0	(1,342,537)
Fiscal	713,551	0	2,616	(710,935)
Business	60,508	0	0	(60,508)
Operation and Maintenance of Plant	2,447,682	0	104,502	(2,343,180)
Pupil Transportation	1,416,319	0	1,849,116	432,797
Central	167,478	0	7,990	(159,488)
<i>Operation of Non-Instructional Services:</i>				
Food Service	1,181,906	429,838	615,235	(136,833)
Extracurricular Activities	726,568	282,459	4,628	(439,481)
<i>Debt Service:</i>				
Issuance Costs	478,255	0	0	(478,255)
Interest and Fiscal Charges	620,748	0	0	(620,748)
<i>Total Governmental Activities</i>	<u>\$28,389,333</u>	<u>\$1,428,117</u>	<u>\$5,019,080</u>	<u>(21,942,136)</u>
<u>General Revenues:</u>				
<i>Property Taxes Levied for:</i>				
General Purposes				5,816,049
<i>Income Taxes Levied for:</i>				
General Purposes				5,052,407
Grants and Entitlements not Restricted to Specific Programs				9,166,054
Investment Earnings				1,600,010
Miscellaneous				49,272
<i>Total General Revenues</i>				<u>21,683,792</u>
Change in Net Position				(258,344)
<i>Net Position at Beginning of Year</i>				<u>27,515,568</u>
<i>Net Position at End of Year</i>				<u>\$27,257,224</u>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Balance Sheet

Governmental Funds

June 30, 2024

	General	Building	Capital Projects	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$10,542,449	\$19,585,743	\$10,482,169	\$672,212	\$41,282,573
Property Taxes Receivable	5,888,512	0	0	0	5,888,512
Income Taxes Receivable	1,953,135	0	0	0	1,953,135
Accounts Receivable	612	0	0	7,158	7,770
Intergovernmental Receivable	68,774	0	0	122,046	190,820
Accrued Interest Receivable	17,674	0	0	0	17,674
Interfund Receivable	196,070	0	0	0	196,070
Prepaid Items	24,534	0	0	4,053	28,587
Inventory Held for Resale	0	0	0	31,875	31,875
Materials and Supplies Inventory	0	0	0	6,181	6,181
<i>Total Assets</i>	<u>\$18,691,760</u>	<u>\$19,585,743</u>	<u>\$10,482,169</u>	<u>\$843,525</u>	<u>\$49,603,197</u>
<u>Liabilities:</u>					
Accounts Payable	\$115,486	\$0	\$0	\$15	\$115,501
Accrued Wages and Benefits	2,000,868	0	0	104,160	2,105,028
Contracts Payable	43,737	553,189	0	69,169	666,095
Intergovernmental Payable	305,504	0	0	9,680	315,184
Matured Compensated Absences Payable	8,502	0	0	0	8,502
Interfund Payable	0	0	0	196,070	196,070
<i>Total Liabilities</i>	<u>2,474,097</u>	<u>553,189</u>	<u>0</u>	<u>379,094</u>	<u>3,406,380</u>
<u>Deferred Inflows of Resources:</u>					
Property Taxes	5,198,111	0	0	0	5,198,111
Unavailable Revenue	670,997	0	0	0	670,997
<i>Total Deferred Inflows of Resources</i>	<u>5,869,108</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,869,108</u>
<u>Fund Balances:</u>					
Nonspendable	24,534	0	0	10,234	34,768
Restricted	0	19,032,554	0	651,591	19,684,145
Committed	0	0	10,482,169	0	10,482,169
Assigned	1,401,198	0	0	10,182	1,411,380
Unassigned	8,922,823	0	0	(207,576)	8,715,247
<i>Total Fund Balances</i>	<u>10,348,555</u>	<u>19,032,554</u>	<u>10,482,169</u>	<u>464,431</u>	<u>40,327,709</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$18,691,760</u>	<u>\$19,585,743</u>	<u>\$10,482,169</u>	<u>\$843,525</u>	<u>\$49,603,197</u>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Reconciliation of Total Governmental Fund Balances to

Net Position of Governmental Activities

June 30, 2024

Total Governmental Funds Balances	\$40,327,709
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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. 24,167,874

Some of the District's receivables will be collected after fiscal year-end, but not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. These receivables consist of:

Property taxes	279,512
Income taxes	<u>391,485</u>

Total receivables that are deferred in the funds	670,997
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

Certificates of Participation	(21,000,000)
Premium on Debt	(548,293)
Accrued interest on bonds	(89,281)
Finance Agreements	(2,272,100)
Compensated absences	<u>(794,319)</u>

Total liabilities not reported in funds	(24,703,993)
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The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds:

Deferred Outflows - Pension	4,632,737
Deferred Outflows - OPEB	933,595
Deferred Inflows - Pension	(975,589)
Deferred Inflows - OPEB	(2,022,974)
Net OPEB Asset	1,141,836
Net Pension Liability	(16,869,234)
Net OPEB Liability	<u>(1,292,795)</u>

Total	(14,452,424)
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An internal service fund is used by management to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.

1,247,061

<i>Net Position of Governmental Activities</i>	<u><u>\$27,257,224</u></u>
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See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General	Building	Capital Projects	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>					
Property Taxes	\$5,843,942	\$0	\$0	\$0	\$5,843,942
Income Taxes	5,017,738	0	0	0	5,017,738
Intergovernmental	11,628,118	0	0	2,499,541	14,127,659
Interest	1,421,159	0	0	18,765	1,439,924
Increase (Decrease) in Fair Value of Investment	54,371	0	105,715	0	160,086
Tuition and Fees	692,614	0	0	0	692,614
Extracurricular Activities	23,206	0	0	282,459	305,665
Gifts and Donations	31,196	0	0	43,737	74,933
Charges for Services	0	0	0	429,838	429,838
Miscellaneous	40,204	0	0	9,068	49,272
<i>Total Revenues</i>	<i>24,752,548</i>	<i>0</i>	<i>105,715</i>	<i>3,283,408</i>	<i>28,141,671</i>
<u>Expenditures:</u>					
<i>Current:</i>					
<i>Instruction:</i>					
Regular	8,193,936	0	0	121,479	8,315,415
Special	4,446,754	0	0	740,352	5,187,106
Vocational	548,940	0	0	0	548,940
Student Intervention Services	12,162	0	0	0	12,162
Other	26,470	0	0	0	26,470
<i>Support Services:</i>					
Pupils	1,223,189	0	0	47,423	1,270,612
Instructional Staff	849,737	0	0	89,678	939,415
Board of Education	308,939	16,171	0	0	325,110
Administration	1,277,135	0	0	0	1,277,135
Fiscal	699,388	0	0	3,834	703,222
Business	60,508	0	0	0	60,508
Operation and Maintenance of Plant	2,356,933	0	0	219,071	2,576,004
Pupil Transportation	1,291,202	0	0	778,319	2,069,521
Central	150,019	0	0	12,110	162,129
Operation of Non-Instructional Services	0	0	0	1,160,754	1,160,754
Extracurricular Activities	417,372	0	0	289,462	706,834
<i>Capital Outlay</i>	8,379	1,951,275	14,975	9,640	1,984,269
<i>Debt Service:</i>					
Principal Retirement	291,300	0	0	0	291,300
Interest and Fiscal Charges	531,467	0	0	0	531,467
Bond Issuance Costs	0	478,255	0	0	478,255
<i>Total Expenditures</i>	<i>22,693,830</i>	<i>2,445,701</i>	<i>14,975</i>	<i>3,472,122</i>	<i>28,626,628</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>2,058,718</i>	<i>(2,445,701)</i>	<i>90,740</i>	<i>(188,714)</i>	<i>(484,957)</i>
<u>Other Financing Sources (Uses):</u>					
Certificates of Participation	0	21,000,000	0	0	21,000,000
Transfers In	0	0	5,391,429	0	5,391,429
Premium on Debt Issued	70,038	478,255	0	0	548,293
Transfers Out	(5,391,429)	0	0	0	(5,391,429)
<i>Total Other Financing Sources (Uses)</i>	<i>(5,321,391)</i>	<i>21,478,255</i>	<i>5,391,429</i>	<i>0</i>	<i>21,548,293</i>
<i>Net Change in Fund Balances</i>	<i>(3,262,673)</i>	<i>19,032,554</i>	<i>5,482,169</i>	<i>(188,714)</i>	<i>21,063,336</i>
<i>Fund Balances at Beginning of Year</i>	<i>13,611,228</i>	<i>0</i>	<i>5,000,000</i>	<i>653,145</i>	<i>19,264,373</i>
<i>Fund Balances at End of Year</i>	<i>\$10,348,555</i>	<i>\$19,032,554</i>	<i>\$10,482,169</i>	<i>\$464,431</i>	<i>\$40,327,709</i>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
*Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2024*

Net Change in Fund Balances - Total Governmental Funds \$21,063,336

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 893,824

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (52,454)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. These revenues consist of:

Property taxes	(27,893)
Income taxes	34,669
Intergovernmental	<u>(18,879)</u>

Total revenues not reported in the funds (12,103)

Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 291,300

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (89,281)

Some items 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. These activities consist of:

Compensated absences	(38,355)
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Other financing sources in the governmental funds that increase long term liabilities in the Statement of Net Assets are not reported as revenues in the Statement of Activities:

Proceeds from Certificates of Participation	(21,548,293)
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Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Activities reports these amounts as deferred outflows. 1,743,174

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the Statement of Activities. (1,662,737)

An internal service fund is used by management to charge the costs of insurance to individual funds. The net revenue of the internal service fund is reported as governmental activities. (846,755)

Change in Net Position of Governmental Activities (\$258,344)

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Property Taxes	\$5,088,181	\$7,046,053	\$5,819,198	(\$1,226,855)
Income Taxes	4,774,524	4,921,870	4,921,870	0
Intergovernmental	11,189,329	11,189,329	11,611,223	421,894
Interest	352,952	1,241,180	1,417,077	175,897
Tuition and Fees	624,002	752,011	692,614	(59,397)
Contributions and Donations	26,750	26,750	30,780	4,030
Miscellaneous	104,519	104,519	49,792	(54,727)
<i>Total Revenues</i>	<i>22,160,257</i>	<i>25,281,712</i>	<i>24,542,554</i>	<i>(739,158)</i>
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	7,283,989	8,111,996	8,081,083	30,913
Special	3,654,058	5,032,042	4,658,219	373,823
Vocational	378,187	563,283	547,367	15,916
Student Intervention Services	5,834	5,834	12,162	(6,328)
Other	56,461	56,461	30,187	26,274
<i>Support Services:</i>				
Pupils	770,116	1,333,800	1,231,470	102,330
Instructional Staff	568,026	989,454	945,336	44,118
Board of Education	138,166	160,157	280,690	(120,533)
Administration	1,170,407	1,342,331	1,310,739	31,592
Fiscal	550,348	572,062	720,159	(148,097)
Business	53,712	59,173	74,063	(14,890)
Operation and Maintenance of Plant	1,773,574	2,914,464	2,987,530	(73,066)
Pupil Transportation	1,106,722	1,249,885	1,331,351	(81,466)
Central	140,300	175,268	155,675	19,593
Extracurricular Activities	356,435	401,759	417,772	(16,013)
Capital Outlay	7,938	8,433	18,315	(9,882)
<i>Debt Service:</i>				
Principal	281,300	281,300	291,300	(10,000)
Interest	62,807	471,457	531,467	(60,010)
<i>Total Expenditures</i>	<i>18,358,380</i>	<i>23,729,159</i>	<i>23,624,885</i>	<i>104,274</i>
<i>Excess of Revenues Over Expenditures</i>	<i>3,801,877</i>	<i>1,552,553</i>	<i>917,669</i>	<i>(634,884)</i>
<u>Other Financing Sources (Uses):</u>				
Proceeds from the Sale of Capital Assets	165,000	165,000	0	(165,000)
Premium on Debt Issued	0	0	70,038	70,038
Transfers Out	(5,584,876)	(5,584,876)	(5,391,429)	193,447
<i>Total Other Financing Sources (Uses)</i>	<i>(5,419,876)</i>	<i>(5,419,876)</i>	<i>(5,321,391)</i>	<i>98,485</i>
<i>Net Change in Fund Balances</i>	<i>(1,617,999)</i>	<i>(3,867,323)</i>	<i>(4,403,722)</i>	<i>(536,399)</i>
<i>Fund Balance at Beginning of Year</i>	<i>12,379,940</i>	<i>12,379,940</i>	<i>12,379,940</i>	<i>0</i>
Prior Year Encumbrances Appropriated	1,222,732	1,222,732	1,222,732	0
<i>Fund Balance at End of Year</i>	<i>\$11,984,673</i>	<i>\$9,735,349</i>	<i>\$9,198,950</i>	<i>(\$536,399)</i>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Statement of Net Position

Proprietary Fund

June 30, 2024

	<u>Governmental Activities</u>	
	<u>Internal Service</u>	
<u>Assets:</u>		
<i>Current Assets:</i>		
Equity in Pooled Cash, Cash Equivalents	\$384,720	
Cash and Cash Equivalents with Fiscal Agents	1,230,757	
Intergovernmental Receivable	<u>82,784</u>	
<i>Total Current Assets</i>	<u>1,698,261</u>	
<u>Liabilities:</u>		
<i>Current Liabilities:</i>		
Claims Payable	<u>451,200</u>	
<i>Total Current Liabilities</i>	<u>451,200</u>	
<u>Net Position:</u>		
Unrestricted	<u>\$1,247,061</u>	

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
*Statement of Revenues,
 Expenses and Change in Net Position
 Proprietary Fund
 For the Fiscal Year Ended June 30, 2024*

	Governmental Activities
<u>Operating Revenues:</u>	
Charges for Services	<u>\$3,263,484</u>
<i>Total Operating Revenues</i>	<u>3,263,484</u>
<u>Operating Expenses:</u>	
Purchased Services	143,556
Claims	3,797,948
Other	<u>168,735</u>
<i>Total Operating Expenses</i>	<u>4,110,239</u>
<i>Operating Income</i>	<u>(846,755)</u>
<i>Net Position at Beginning of Fiscal Year</i>	<u>2,093,816</u>
<i>Net Position at End of Fiscal Year</i>	<u>\$1,247,061</u>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Statement of Cash Flows

Proprietary Fund

For the Fiscal Year Ended June 30, 2024

Governmental
Activities

Internal
Service

Increase (Decrease) in Cash and Cash Equivalents:

Cash Flows from Operating Activities:

Cash Received from Interfund Services Provided	\$3,185,146
Cash Payments for Goods and Services	(143,556)
Cash Payments for Other Uses	(168,735)
Cash Payments for Claims	<u>(3,597,648)</u>
 <i>Net Cash from Operating Activities</i>	 (724,793)
 <i>Cash and Cash Equivalents Beginning of Fiscal Year</i>	 <u>2,340,270</u>
 <i>Cash and Cash Equivalents End of Fiscal Year</i>	 <u>\$1,615,477</u>

Reconciliation of Operating (Loss)

to Net Cash from Operating Activities:

Operating (Loss)	(\$846,755)
------------------	-------------

Adjustments to Reconcile Operating (Loss)

to Net Cash from Operating Activities:

(Increase) Decrease in Assets:	
Intergovernmental Receivable	(78,338)
Increase (Decrease) in Liabilities:	
Claims Payable	<u>200,300</u>
 Total Adjustments	 <u>121,962</u>
 <i>Net Cash from Operating Activities</i>	 <u>(\$724,793)</u>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

For the Fiscal Year Ended June 30, 2024

	Custodial Fund
<u>Additions</u>	
Miscellaneous	\$4,614
<u>Deductions:</u>	
Custodial Fund Disbursements	<u>4,614</u>
<i>Change in Net Position</i>	<i>0</i>
<i>Net Position at Beginning of Year</i>	<u>0</u>
<i>Net Position at End of Year</i>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Amanda-Clearcreek Local School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District is a local school district as defined by Ohio Revised Code Section 3311.03. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and/or federal guidelines.

The School District was established through the consolidation of existing land areas and school districts. It is staffed by 95 classified employees, 117 certificated full-time teaching personnel and 13 administrative employees who provide services to 1,480 students.

Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Amanda-Clearcreek Local School District, this includes general operations, food service and student related activities of the School District.

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

The School District is associated with one jointly governed organization: the Metropolitan Educational Technology Association (META). The School District is also associated with three insurance purchasing pools: the Ohio School Plan (OSP), the South Central Ohio Insurance Consortium, and Ohio School Comp Workers' Compensation Group Rating Program. These organizations are presented in Note 22 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District 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 School District's accounting policies are described below.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Position and the 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 School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The government-wide statements normally distinguish between those activities that are governmental and those that are considered business-type activities; however, the School District has no business-type activities.

The Statement of Net Position presents the financial condition of the governmental activities of the School District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are 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 School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the fiscal year, the School District segregates transactions related to certain School District 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 School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statement. Fiduciary funds are reported by type.

Fund Accounting

The School District 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 three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions of the School District 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 and deferred inflows of resources are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

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

Building Fund This fund is used to account for debt proceeds and other monies for the construction or improvement of school facilities.

Capital Projects Fund This fund is used to account for financial resources to be used for the acquisition, construction or improvement of capital facilities.

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

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service: the School District has no enterprise funds.

Internal Service Fund The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounted for the operation of the School District's self-insurance program for employee medical, surgical, prescription drug, and dental claims.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) 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. The School District has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The School District's fiduciary fund, a custodial fund, is used to account for receipts and expenses related to the Ohio High School Athletic Association athletic tournament activities.

Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the Statement of Net Position. The Statement of Activities presents increases (revenues) and decreases (expenses) in total net position.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

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

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities, other than those to beneficiaries, are recognized using the economic resources measurement focus. For the proprietary fund, the Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its proprietary activity.

For the fiduciary fund, a Statement of Changes in Fiduciary Net Position reports additions to and deductions from its custodial fund.

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 and the statements presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On 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 School District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned. On the accrual basis, revenue from property taxes and payment in lieu of taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations are 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 School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

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, income taxes, interest, tuition, grants, fees, and rent.

Deferred Outflows/Inflows of Resources In addition to assets, the Statements of Net 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. For the School District, deferred outflows of resources are reported on the government-wide Statement of Net Position for pension and OPEB plans. The deferred outflows of resources related to pension/OPEB are explained in Notes 13 and 14.

In addition to the liabilities, the Statement of Net 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 until that time. For the School District, deferred inflows of resources include property taxes, pension and OPEB plans, and unavailable revenue. 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 School District, unavailable revenue includes delinquent property taxes, income taxes, intergovernmental grants, investment earnings, tuition and fees, extracurricular activities, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 13 and 14).

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

The purpose of 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 the governmental funds.

Cash and Cash Equivalents

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

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments. For fiscal year 2024, there are no investments shown.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

During fiscal year 2024, investments were limited to the money market mutual funds, municipal bonds, federal agency securities, commercial paper, and negotiable certificates of deposit.

Except for nonparticipating investment contracts, the School District reports investments at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit are reported at cost. The School District had no nonnegotiable certificates of deposit for fiscal year 2024.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2024 amounted to \$1,421,159, which includes \$852,563 assigned from other School District funds.

“Cash and Cash Equivalents with Fiscal Agents” represents monies on hand at the fiscal agent for medical and dental insurance cash balances for the self-insurance program with the South Central Ohio Insurance Consortium.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as a prepaid items using the consumption method. A current asset for the prepaid items amount is recorded at the time of the purchase and an expense/expenditure is reported in the fiscal year in which services are consumed.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expended when used. Inventory consists of expendable supplies held for consumption and purchased and donated food held for resale.

Capital Assets

The School District’s only capital assets are general capital assets. 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 year. The School District was able to estimate the historical cost for the initial reporting of capital assets by back trending (i.e., estimating the current replacement cost of the assets to be capitalized and using an appropriate price-index to deflate the costs to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District 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 capitalized.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

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

Description	Estimated Lives
Land Improvements	50 years
Buildings and Improvements	20 - 50 years
Furniture, Fixtures and Equipment	5 - 10 years
Vehicles	10 years
Textbooks	10 years

Interfund Balances

On fund financial statements, 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 on the Statement of Net Position.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for administrators with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability is based on sick leave accumulated by June 30 by those employees who are eligible to receive termination payments and by those employees for whom it is probable that they will become eligible to receive termination benefits 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 union contracts.

The entire compensated absence liability is reported on the government-wide financial statements. On the governmental fund financial statements, compensated absences are recognized as a liability and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

Pensions/Other Postemployment Benefits (OPEB)

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

Accrued Liabilities and Long-Term Liabilities

All payables, accrued liabilities and long-term liabilities 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. Bonds and capital leases are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

Internal Activity

Transfers within governmental activities are eliminated on the government wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for 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.

Bond Premium and Issuance Costs

On the government-wide financial statement, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable; bond discounts are presented as a decrease of the face amount of the bonds payable. On the governmental fund statements, bond premiums and discounts are recorded in the year the bonds are issued. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent. Bond issuance costs are shown as expensed in the year of the debt issuance.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the School District 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. It also includes prepaids for all governmental fund types.

Restricted – The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by State constitution or external resource providers. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

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

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

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

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

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

Net Position

Net Position represents the difference between all other elements in a Statement of Net Position. 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 through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are charges for services for the self-insurance programs. Operating expenses are necessary costs' incurred to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting this definition are reported as non-operating.

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, except custodial 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 Board. The legal level of control has been established by the Board of Education at the fund level for all funds. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statement reflect the amounts in the amended certificate at the time the permanent appropriations were passed. The amounts reported as the final budgeted amounts in the budgetary statement reflect the final amended certificate approved.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

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

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 years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

Some of the School District's funds are separate for budgeting purposes then they are combined on the GAAP basis. The public school support special revenue fund is budgeted individually on a cash basis but is combined with the general fund on a GAAP basis.

NOTE 3 - IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES

For the fiscal year ended June 30, 2024, the District has implemented GASB Statement No. 100, Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62. This statement enhances accounting and financial reporting requirements for accounting and error corrections to provide more understandable, reliable, relevant, consistent, and compatible information for making decisions or assessing accountability.

Change to or within the Financial Reporting Entity

For fiscal year 2024, the Building Capital Projects Fund was a new major fund.

		Change to/within the Financial Reporting Entity	
		Changes between As Major and Previously Reported	6/30/2023 As Restated/ Adjusted
		NonMajor	6/30/2023
Governmental Funds			
Major Funds:			
General		\$13,611,228	\$0
Building		0	0
Capital Projects		5,000,000	0
All Other Governmental Funds		653,145	0
Total Governmental Funds		\$19,264,373	\$19,264,373

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 4 – ACCOUNTABILITY

Deficits in Fund Balance

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

Fund	Amount
<i>Nonmajor Special Revenue Funds:</i>	
ESSER	\$142,871
Improving Teacher Quality	9,931
Title I	33,914
Miscellaneous Federal Grant	20,860

The deficit in this fund is the result of the application of generally accepted accounting principles and the requirement to accrue liabilities when incurred. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While the School District 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 and described earlier is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and modified accrual GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a restricted, committed or assigned fund balance (GAAP basis).
4. Advances-in, advances-out and principal payments on short-term notes are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Certain funds are maintained as separate funds for accounting and budgetary purposes (budget basis) but do not meet the criteria for separate reporting in the financial statements (GAAP basis) and are reported in the General Fund in accordance with GASB Statement No. 54.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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

<u>Net Change in Fund Balance</u>	<u>General</u>
GAAP Basis	(\$3,262,673)
<i>Adjustments:</i>	
Revenue Accruals	(186,788)
Expenditure Accruals	413,181
Encumbrances	(1,351,932)
<i>Prospective Difference:</i>	
Activity of Funds Reclassified For GAAP Reporting Purposes	<u>(15,510)</u>
Budget Basis	<u><u>(\$4,403,722)</u></u>

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits that the Board has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must be either 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 moneys. Interim moneys are those moneys 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 accounts including passbook accounts.

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

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, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

- (3) Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 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;
- (5) 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;
- (6) The State Treasurer's investment pool (STAR Ohio); and
- (7) Commercial paper and bankers' acceptances (if authorized by the Board of Education).

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.

An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 40, "Deposit and Investment Risk Disclosures."

At June 30, 2024, the School District's internal service fund had a balance of \$1,230,757 with fiscal agents, which was held by the South Central Ohio Insurance Consortium (SCOIC), an insurance purchasing pool. The balances were held by SCOIC in pooled accounts which are representative of numerous entities and therefore cannot be included in the risk disclosures reported by the School District. Disclosures for SCOIC as a whole may be obtained from the fiscal agent, Bloom-Carroll Local School District, 5420 Plum Road, Carroll, Ohio 43112.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

Investments: As of June 30, 2024, the School District had the following investments and maturities:

Measurement/Investment	Measurement Amount	Maturity	Ratings	Percentage of Total Investment
<i>Fair Value- Level One Inputs:</i>				
Money Market Mutual Funds	\$225,792	under one year	n/a	1%
<i>Fair Value- Level Two Inputs:</i>				
Federal Farm Credit Bank Notes	521,906	under three years	Aaa	2%
Federal Home Loan Bank Notes	1,016,876	under five years	Aaa	4%
Us Treasury Note	1,197,852	under one year	Aaa	5%
Municipal Bonds	88,737	under seven years	Aa2	0%
Commercial Paper	6,099,642	under one year	P-1	24%
Negotiable Certificates of Deposit	913,462	under three years	n/a	4%
<i>Total Fair Value- Level Two Inputs</i>	<u>9,838,475</u>			
<i>NAV Per Share:</i>				
Star Ohio	15,482,076	under one year	n/a	61%
Total	<u>\$25,546,343</u>			

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2024. The money market mutual funds are measured at fair value and is valued using quoted market prices (Level 1 inputs). The School District's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs). Investments in Star Ohio are measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the School District manages its exposure to declines in fair values by keeping the portfolio sufficiently liquid to enable the school to meet all operating requirements.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District limits their investments to obligations of Federal Government Agencies or Instrumentalities as described in Ohio Revised Code Section 135.143A (2). Investments in money market funds were rated 'Aaa' by Moody's Investor Services. Standard and Poor's has assigned STAROhio a rating of "AAAm."

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The School District's investment policy addresses concentration of credit risk by requiring investments to be diversified in order to reduce the risk of loss resulting from the over concentration of assets in a specific type of security, the erosion of market value, or by default. However, the School District's investment policy does not place any limit on the amount that may be invested in any one issuer.

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

All of the School District's investments are either insured and registered in the name of the School District or at least registered in the name of the School District.

NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar 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 law at thirty-five 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 2024 represents collections of calendar year 2023 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 became a lien December 31, 2022, were levied after April 1, 2023 and are collected in 2024 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Fairfield County. The County Auditor periodically advances to the School District 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 represents the June 2024 personal property tax settlement, delinquent taxes outstanding and real property, and public utility taxes which become measurable as of June 30, 2024. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The total amount available as an advance at June 30, 2024 was \$410,889 and is recognized as revenue. Of this total amount, \$410,889 was available to the General Fund.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 7 - PROPERTY TAXES - (Continued)

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 and Other Real Estate	\$284,687,560	94.31%	\$294,454,840	94.44%
Public Utility Personal	17,187,950	5.69%	17,341,370	5.56%
Total Assessed Value	<u>\$301,875,510</u>	<u>100.00%</u>	<u>\$311,796,210</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation		\$35.50		\$35.50

NOTE 8 - TAX ABATEMENTS

School District property taxes were reduced by a Community Reinvestment Area agreement entered into by the City of Lancaster. The abated taxes for the School District amounted to \$10,374.

NOTE 9 - INCOME TAX

The School District levies a voted tax of 2 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 2020, and is effective for 15 years. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated funds. During fiscal year 2024, the School District had \$5,017,738 of income tax revenue in the General Fund.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 10 - RECEIVABLES

Receivables at June 30, 2024, consisted of property taxes, income taxes, intergovernmental grants, accrued interest and interfund. The School District believes that all receivables are considered fully collectible within one year due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

Fund	Amount
General Fund	\$68,774
<i>Nonmajor Special Revenue Funds:</i>	
Public School Preschool	74,375
Improving Teacher Quality	14,470
IDEA B	656
Title I	28,477
Title IV-A	<u>4,068</u>
Total Nonmajor Special Revenue Funds	<u>122,046</u>
Internal Service Fund	<u>82,784</u>
<i>Total Intergovernmental Receivable</i>	<u><u>\$273,604</u></u>

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AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 11 - CAPITAL ASSETS

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

Asset Category	Balance at June 30, 2023	Additions	Deductions	Balance at June 30, 2024
<i>Nondepreciable Capital Assets:</i>				
Land	\$292,457	\$0	\$0	\$292,457
Construction in Progress	330,308	1,127,563	(153,555)	1,304,316
Total Nondepreciable Capital Assets	<u>622,765</u>	<u>1,127,563</u>	<u>(153,555)</u>	<u>1,596,773</u>
<i>Depreciable Capital Assets:</i>				
Land Improvements	4,398,357	15,500	(6,063)	4,407,794
Buildings and Improvements	40,591,423	418,995	(182,463)	40,827,955
Furniture, Fixtures and Equipment	1,816,441	695,373	(327,073)	2,184,741
Vehicles	2,144,194	945,566	(47,718)	3,042,042
Textbooks	<u>887,213</u>	<u>0</u>	<u>0</u>	<u>887,213</u>
Total Depreciable Capital Assets	<u>49,837,628</u>	<u>2,075,434</u>	<u>(563,317)</u>	<u>51,349,745</u>
Total Capital Assets	<u>50,460,393</u>	<u>3,202,997</u>	<u>(716,872)</u>	<u>52,946,518</u>
<i>Accumulated Depreciation:</i>				
Land Improvements	(2,694,750)	(168,330)	0	(2,863,080)
Buildings and Improvements	(20,907,818)	(1,383,717)	5,890	(22,285,645)
Furniture, Fixtures and Equipment	(1,170,330)	(180,432)	317,903	(1,032,859)
Vehicles	(1,473,778)	(283,667)	47,598	(1,709,847)
Textbooks	<u>(887,213)</u>	<u>0</u>	<u>0</u>	<u>(887,213)</u>
Total Accumulated Depreciation	<u>(27,133,889)</u>	<u>(2,016,146)</u>	<u>371,391</u>	<u>(28,778,644)</u>
Total Net Depreciable Capital Assets	<u>22,703,739</u>	<u>59,288</u>	<u>(191,926)</u>	<u>22,571,101</u>
Total Net Capital Assets	<u>\$23,326,504</u>	<u>\$1,186,851</u>	<u>(\$345,481)</u>	<u>\$24,167,874</u>

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 11 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follow:

<i>Instruction:</i>	
Regular	\$1,637,499
Special	378
Vocational	1,996
<i>Support Services:</i>	
Instructional Staff	12,508
Operations and Maintenance	80,451
Pupil Transportation	274,906
<i>Operation of Non-Instructional Services:</i>	
Food Service	2,113
Extracurricular Activities	<u>6,295</u>
Total Depreciation Expense	<u>\$2,016,146</u>

NOTE 12 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2024, the School District contracted with commercial carriers for property, fleet, professional and general liability insurance. Coverages provided are as follows:

Building and Contents - replacement cost (\$5,000 deductible)	\$ 87,452,923
Automobile Liability (\$1,000 deductible)	1,000,000
Bodily Injury and Property Damage - combined single limit	5,000
Medical Payments - each person	5,000
General Liability	
Each Occurrence	1,000,000
Aggregate Limit	3,000,000
Violence	1,000,000
Sexual Misconduct (\$5,000 deductible)	1,000,000
Earthquake (\$25,000 deductible)	1,000,000
Products and Completed Operations Aggregate Limit	3,000,000
Medical Expense Limit - per person/accident	5,000
Employers Liability-Stop Gap,	
Per Claim	1,000,000
Aggregate Limit	3,000,000
School Board Legal Liability	
Per Claim (\$2,500 deductible)	1,000,000
Findings for Recovery	25,000
Commercial Umbrella	
Each Occurrence	2,000,000
General Aggregate Limit	2,000,000
Products-Completed Operations Aggregate	2,000,000

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 12 - RISK MANAGEMENT - (Continued)

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year, except for building/contents and boiler/machinery coverage.

Workers' Compensation

The School District participates in the workers' compensation program provided by the State of Ohio. The School District participates in the Ohio SchoolComp Workers' Compensation Group Rating Program (Program), an insurance purchasing pool (Note 22). The Program is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for participants. The participating school districts continue to pay their own premiums and have the opportunity to receive premium adjustments based upon the combined performance of the group. Depending upon that performance, the participating school districts can either receive a premium refund or assessment. Employers will pay experience or based rated premiums under the same terms as if they were not in a group. The total premium for the entire group is the standard premium of the group. The standard premium serves as the benchmark that is adjusted up and down. In order to allocate the savings derived by formation of the Program, the Program's executive committee annually calculates the group premium based on developed incurred claim losses for the whole group. The new premium is compared to the standard premium. If the group premium is lower than the standard premium, a refund will be distributed to the employers of the group. If the premium is higher, an assessment will be charged to each participant. Participation in the Program is limited to school districts that can meet the Program's selection criteria. The firm of Sedwick Managed Care Ohio serves as the third party administrator of the Program and provides administrative, cost control, and actuarial services. Each year, the School District pays an enrollment fee to the Program to cover the cost of administering the Program. The School District may withdraw from the Program if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Program prior to withdrawal.

Medical and Dental

The School District provides a medical, prescription drug, and dental insurance program for its employees through the South Central Ohio Insurance Consortium (SCOIC), an insurance purchasing pool (Note 22). The School District's medical, prescription drug, and dental were all considered self-insured programs due to the School District retaining the risk. SCOIC contracted with CareFactor for claims servicing. The School District had shared risk pool coverage and stop-loss insurance through SCOIC for individual claims in excess of \$100,000 per employee per year for medical and prescription claims. SCOIC purchases stop loss coverage for individual claims over \$500,000. The School District has no stop loss coverage for the dental claims. The maximum dental benefit per covered person is \$1,500 per calendar year. The premiums paid into the internal service fund are used for claims, claim reserves, and administrative costs. The internal service fund presented in the financial statements reflects the premiums paid into the self-insurance internal service fund by the same funds that pay the employees' salaries. The School District pays monthly medical premiums of up to \$2,743 for certified and classified employees for family coverage and up to \$1,137 for certified and classified employees for single coverage of which the employees are responsible for 20 percent of the medical premium. The School District pays monthly dental premiums of up to \$108 for family and single coverage for certified and classified employees.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

NOTE 12 - RISK MANAGEMENT - (Continued)

The claims liability of \$451,200 reported in the internal service fund at June 30, 2024, is based on the requirements of Governmental Accounting Standards Board Statement Number 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate provided by an actuary for medical and dental claims. The full amount of claims payable is presented as current liabilities because it is expected to be paid within the following fiscal year. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims activity for the past two fiscal years, including medical, surgical, prescription drug, and dental are as follows:

Fiscal Year	Balance at Beginning of Fiscal Year	Current Fiscal Year Claims	Claims Payments	Balance at End of Fiscal Year
2023	\$357,600	\$3,168,408	\$3,275,108	\$250,900
2024	250,900	3,797,948	3,597,648	451,200

NOTE 13 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

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

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

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

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

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

An individual whose benefit effective date is before April 1, 2018 is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. 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. The Retirement Board of Trustees approved a 2.5 percent cost-of-living adjustment (COLA) for eligible retirees and beneficiaries for 2024.

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

The District's contractually required contribution to SERS was \$439,944 for fiscal year 2024. Of this amount, none is reported as an intergovernmental payable.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent 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, an 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. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any 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 goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)

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 that 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. For the fiscal year ended June 30, 2024, plan members were required to contribute 14 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2024 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$1,240,229 for fiscal year 2024. Of this amount, \$214,347 is reported as an intergovernmental payable.

Net Pension Liability

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 District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	SERS	STRS	Total
<i>Proportion of the Net Pension Liability:</i>			
Current Measurement Date	0.07648130%	0.05871040%	
Prior Measurement Date	0.06801240%	0.05617050%	
Change in Proportionate Share	<u>0.00846890%</u>	<u>-0.00253990%</u>	
Proportionate Share of the Net Pension Liability	\$4,225,986	\$12,643,248	\$16,869,234
Pension Expense	\$538,235	\$1,342,167	\$1,880,402

Deferred outflows/inflows of resources represent the effect of changes in the net pension liability due to the difference between projected and actual investment earnings, differences between expected and actual actuarial experience, changes in assumptions and changes in the School District's proportion of the collective net pension liability. The deferred outflows and deferred inflows are to be included in pension expense over current and future periods. The difference between projected and actual investment earnings is recognized in pension expense using a straight line method over a five year period beginning in the current year. Deferred outflows and deferred inflows resulting from changes in sources other than differences between projected and actual investment earnings are amortized over the average expected remaining service lives of all members (both active and inactive) using the straight line method. Employer contributions to the pension plan subsequent to the measurement date are also required to be reported as a deferred outflow of resources.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$181,643	\$460,946	\$642,589
Changes of Assumptions	29,935	1,041,240	1,071,175
Changes in Proportion and Differences between District			
Contributions and Proportionate Share of Contributions	330,803	907,997	1,238,800
District Contributions Subsequent to the Measurement Date	<u>439,944</u>	<u>1,240,229</u>	<u>1,680,173</u>
Total Deferred Outflows of Resources	<u><u>\$982,325</u></u>	<u><u>\$3,650,412</u></u>	<u><u>\$4,632,737</u></u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$0	\$28,055	\$28,055
Net Difference between Projected and Actual Investment	59,398	37,894	97,292
Changes of Assumptions	0	783,755	783,755
Changes in Proportion and Differences between District			
Contributions and Proportionate Share of Contributions	<u>5,562</u>	<u>60,925</u>	<u>66,487</u>
Total Deferred Inflows of Resources	<u><u>\$64,960</u></u>	<u><u>\$910,629</u></u>	<u><u>\$975,589</u></u>

\$1,680,173 reported as deferred outflows of resources related to pension resulting from School District 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 as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	\$150,556	\$181,414	\$331,970
2026	(\$36,155)	(\$71,384)	(\$107,539)
2027	\$359,871	\$1,356,572	\$1,716,443
2028	<u>\$3,149</u>	<u>\$32,952</u>	<u>\$36,101</u>
	<u><u>\$477,421</u></u>	<u><u>\$1,499,554</u></u>	<u><u>\$1,976,975</u></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.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2023, compared with June 30, 2022, are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.40 percent	2.40 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 percent to 13.58 percent 2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement	3.50 percent to 13.58 percent 2.0 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 investment expenses	7.00 percent net of system expense
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)	Entry Age Nominal (Level Percent of Payroll)

Mortality rates for 2023 and 2022 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.

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

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. ORC 3309.15 and the Board-adopted Investment Policy govern investment activity at SERS. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$6,237,339	\$4,225,986	\$2,531,804

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)**Actuarial Assumptions - STRS**

Key methods and assumptions used in the June 30, 2023, actuarial valuation compared to those used in the June 30, 2022, actuarial valuation are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50 percent	2.50 percent
Projected salary increases	8.50 percent at age 20 to 2.50 percent at age 65	8.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent	7.00 percent
Payroll Increases	3.00 percent	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent	0.0 percent,

Post-Retirement mortality rates for 2023 and 2022 are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

Asset Class	Target Allocation *	Long-Term Expected Real Rate of Return**
Domestic Equity	26.00%	6.60%
International Equity	22.00%	6.80%
Alternatives	19.00%	7.38%
Fixed Income	22.00%	1.75%
Real Estate	10.00%	5.75%
Liquidity Reserves	1.00%	1.00%
Total	<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 does not include investment expenses. Over a 30 year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 13 - DEFINED BENEFIT PENSION PLANS – (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2023, and was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 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 payment to determine the total pension liability as of June 30, 2023.

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

	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$19,442,517	\$12,643,248	\$6,892,927

Assumption and Benefit Changes Since the Prior Measurement Date – Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

NOTE 14 – DEFINED BENEFIT OPEB PLAN

Net OPEB Liability

OPEB is a component of exchange transactions--between an employer and its employees--of salaries and benefits for employee services. OPEB are provided to an employee--on a deferred-payment basis--as part of the total compensation package offered by an employer for employee services each financial period.

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

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

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN – (Continued)

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute.

The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN – (Continued)

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 of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 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 District's surcharge obligation was \$63,001.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$63,001 for fiscal year 2024.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements was discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

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

Net OPEB Liability

The net OPEB liability(asset) was measured as of June 30, 2023, and the total OPEB liability(asset) used to calculate the net OPEB liability(asset) was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District'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:

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN – (Continued)

	SERS	STRS	Total
<i>Proportion of the Net OPEB Liability:</i>			
Current Measurement Date	0.07847270%	0.05871040%	
Prior Measurement Date	0.07018110%	0.05617050%	
Change in Proportionate Share	<u>0.00829160%</u>	<u>0.00253990%</u>	
Proportionate Share of the Net OPEB Liability/(Asset)	\$1,292,795	(\$1,141,836)	\$150,959
OPEB Expense	(\$126,395)	(\$91,270)	(\$217,665)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$2,692	\$1,780	\$4,472
Net Difference between Projected and Actual Investment Earnings	10,021	2,038	12,059
Changes of Assumptions	437,134	168,207	605,341
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	243,710	5,012	248,722
District Contributions Subsequent to the Measurement Date	<u>63,001</u>	<u>0</u>	<u>63,001</u>
Total Deferred Outflows of Resources	<u>\$756,558</u>	<u>\$177,037</u>	<u>\$933,595</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$666,739	\$174,162	\$840,901
Changes of Assumptions	367,168	753,365	1,120,533
Changes in Proportion and Differences between Districts Contributions and Proportionate Share of Contributions	<u>50,685</u>	<u>10,855</u>	<u>61,540</u>
Total Deferred Inflows of Resources	<u>\$1,084,592</u>	<u>\$938,382</u>	<u>\$2,022,974</u>

\$63,001 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN– (Continued)

Fiscal Year Ending June 30:	SERS	STRS	Total
2025	(\$184,483)	(\$334,719)	(\$519,202)
2026	(144,998)	(153,844)	(298,842)
2027	(73,493)	(59,707)	(133,200)
2028	(41,299)	(80,359)	(121,658)
2029	(29,071)	(74,186)	(103,257)
Thereafter	82,309	(58,530)	23,779
	<hr/>	<hr/>	<hr/>
	(\$391,035)	(\$761,345)	(\$1,152,380)
	<hr/>	<hr/>	<hr/>

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, compared with June 30, 2022, are presented below:

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN– (Continued)

	June 30, 2023	June 30, 2022
Inflation	2.40 percent	2.40 percent
Future Salary Increases, including inflation		
Wage Increases	3.25 percent to 13.58 percent	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense	7.00 percent net of investment expense, including inflation
Municipal Bond Index Rate:		
Measurement Date	3.86 percent	3.69 percent
Prior Measurement Date	3.69 percent	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation		
Measurement Date	4.27 percent	4.08 percent
Prior Measurement Date	4.08 percent	2.27 percent
Medical Trend Assumption		
Medicare	6.75 to 4.40 percent	7.00 to 4.40 percent
Pre-Medicare	6.75 to 4.40 percent	7.00 to 4.40 percent

For 2023 and 2022, mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board 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 log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 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.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN– (Continued)

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
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 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, 2022 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 state statute contribution rate of 1.50 percent of projected covered employee 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 is 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 is 3.86 percent at June 30, 2023 and 3.69 percent at June 30, 2022.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability 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 percent) and higher (5.27 percent) than the current discount rate (4.27 percent). 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 percent decreasing to 3.40 percent) and higher (7.75 percent decreasing to 5.40 percent) than the current rate (6.75 percent to 4.40 percent).

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN– (Continued)

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
School District's Proportionate Share of the Net OPEB Liability	\$1,652,561	\$1,292,795	\$1,009,104
	1% Decrease (5.75% decreasing to 3.40%)	Trend Rate (6.75% decreasing to 4.40%)	1% increase (7.75% decreasing to 5.40%)
School District's Proportionate Share of the Net OPEB Liability	\$949,772	\$1,292,795	\$1,747,347

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2023, actuarial valuation and the June 30, 2022 actuarial valuation are presented below:

	June 30, 2023	June 30, 2022
Projected salary increases	Varies by service from 8.50 percent at age 20 to 2.50 percent at age 65	Varies by service from 8.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medical	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.

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

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN – (Continued)

Actuarial assumptions used in the June 30, 2023; valuation is based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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

Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	<u><u>100.00 %</u></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 does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actual rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023, and was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan assets of 7.00 percent was used to measure the total OPEB liability as of June 30, 2023.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability/Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB liability/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 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 assumption. Also shown is the net OPEB liability/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.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 14 – DEFINED BENEFIT OPEB PLAN – (Continued)

	<u>1% Decrease</u> (6.00%)	<u>Current</u> <u>Discount Rate</u> (7.00%)	<u>1% Increase</u> (8.00%)
School District's Proportionate Share of the Net OPEB Asset			
	(\$966,415)	(\$1,141,836)	(\$1,294,610)

	<u>1% Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Asset	(\$1,301,699)	(\$1,141,836)	(\$949,284)

Assumption Changes Since the Prior Measurement Date – The discount rate remained unchanged at 7.00% for the June 30, 2023 valuation.

Benefit Term Changes Since the Prior Measurement Date - Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024,

NOTE 15 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Administrators are generally granted twenty days of vacation per year. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Staff members who work less than 260 days per year do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 300 days for all employees. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit up to a maximum of 75 days for all employees. A bonus of 40 days is granted if retirement is by the State Teachers Retirement System or School Employees Retirement System standard in the first year eligible.

Insurance Benefits

The School District is self-insured for employee healthcare benefits for all its employees. Employees are provided with dental insurance through Employee Benefit Management Corporation (Care Factor), health insurance through Ohio PPO, and vision insurance through Vision Service Plan (VSP). The School District provides life insurance to its employees through Companion Life purchased through the Anderson Insurance Group.

Deferred Compensation

School District employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 16 - LONG-TERM LIABILITIES

The changes in the School District's long-term liabilities during fiscal year 2024 were as follows:

	Issue Date	Interest Rate	Principal Outstanding at June 30, 2023	Additions	Deductions	Principal Outstanding at June 30, 2024	Amount Due In One Year
<i>Governmental Activities:</i>							
2023 Certificate of Participation	2023	5.25%	\$0	\$14,500,000	\$0	\$14,500,000	\$250,000
2024 Certificate of Participation	2024	5.00%	0	6,500,000	0	6,500,000	160,000
Total Certificates of Participation			0	21,000,000	0	21,000,000	410,000
<i>Net Pension Liability:</i>							
STRS		N/A	12,486,773	156,475	0	12,643,248	0
SERS		N/A	3,678,640	547,346	0	4,225,986	0
Total Net Pension Liability			16,165,413	703,821	0	16,869,234	0
<i>Net OPEB Liability:</i>							
SERS		N/A	985,350	307,445	0	1,292,795	0
Total Net OPEB Liability			985,350	307,445	0	1,292,795	0
Premium on Debt	N/A		0	548,293	0	548,293	0
Finance Agreements		7.5-10%	2,563,400	0	291,300	2,272,100	308,700
Compensated Absences		N/A	755,964	312,297	273,942	794,319	85,020
Total Governmental Activities Long-Term Obligations			\$20,470,127	\$22,871,856	\$565,242	\$42,776,741	\$803,720

Certificates of Participation – Series 2023 Amanda Clearcreek Local School District entered into an agreement with the Buckeye Leasing Services to participate in an addition to the Primary building and various athletic facilities. In November 2023, the District issued debt through HB #153 also known as a COPS Project in the amount of \$14,500,000. The District will repay the debt using General Fund revenue. The new facility has an estimated completion date 2026.

Certificates of Participation – Series 2024 Amanda Clearcreek Local School District entered into an agreement with the Buckeye Leasing Services to participate in an addition to the Primary building and various athletic facilities. In January 2024, the District issued debt through HB #153 also known as a COPS Project in the amount of \$6,500,000. The District will repay the debt using General Fund revenue. The new facility has an estimated completion date of 2026.

There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the following funds: the General Fund and the Food Service, Student Wellness and Success, Title I, and Title II-A Special Revenue Funds. For Additional information related to the net pension/OPEB liability (asset) see Notes 13 and Note 14. Compensated absences will be paid from the General Fund and the Food Service and Title I Special Revenue Funds.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 16 - LONG-TERM LIABILITIES– (Continued)

Principal and interest requirements outstanding at June 30, 2024, are as follows:

Fiscal Year Ending June 30	2023 Certificate of Participation		2024 Certificates of Participation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$250,000	\$720,762	\$160,000	\$295,450	\$410,000	\$1,016,212
2026	225,000	708,294	105,000	288,825	\$330,000	\$997,119
2027	235,000	696,219	110,000	283,450	\$345,000	\$979,669
2028	245,000	683,619	115,000	277,825	\$360,000	\$961,444
2029	260,000	670,363	120,000	271,950	\$380,000	\$942,313
2030-2034	1,525,000	3,127,025	700,000	1,260,750	\$2,225,000	\$4,387,775
2035-2039	1,950,000	2,691,275	885,000	1,063,375	\$2,835,000	\$3,754,650
2040-2044	2,505,000	2,117,556	1,135,000	812,375	\$3,640,000	\$2,929,931
2045-2049	3,215,000	1,389,500	1,420,000	523,468	\$4,635,000	\$1,912,968
2050	4,090,000	503,498	1,750,000	192,312	\$5,840,000	\$695,810
Totals	<u>\$14,500,000</u>	<u>\$13,308,111</u>	<u>\$6,500,000</u>	<u>\$5,269,780</u>	<u>\$21,000,000</u>	<u>\$18,577,891</u>

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 17 – FINANCED PURCHASES

During prior fiscal years, the School District entered into a finance purchase agreement for the acquisition of new copiers. The agreement is accounted for as program/function expenditures in the general fund with an offsetting amount reported as another financing source, inception of finance purchase agreement. Financed purchase agreement payments have been reclassified and are reflected as debt service expenditures in the fund financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

During fiscal year 2021, the School District (Lessee) entered into a lease-purchase agreement with Key Government Finance Incorporated (Lessor), a subdivision of KeyBank, for the purpose of capital upgrades and improvements to the School District's buildings and property. The School District will convey to the Lessor a base leasehold interest in the real property and existing improvements and, in turn, the School District shall lease the project facilities from the Lessor subject to annual appropriations.

Proceeds of the agreement, in the amount of \$3,185,200, are reflected in the basic financial statements in the Building Capital Projects Fund. The agreement will be repaid from the General Fund using property tax revenues. Principal payments in fiscal year 2024 totaled \$291,300, and were paid from the General Fund.

Capital assets acquired by finance purchase have been capitalized in an amount equal to the present value of the future minimum agreement payments at the time of acquisition. A corresponding liability has been recorded as a long-term obligation.

The capital assets acquired through finance purchase agreements as of June 30, 2024, are as follows:

Fiscal Year Ending June 30,	Finance Purchase Payments
2025	344,066
2026	344,068
2027	343,983
2028	343,909
2029	343,846
2030-2032	687,540
Total Future Minimum Agreement Payments	2,407,412
Less: amount representing interest	(135,312)
Present value of minimum agreement payments	\$ 2,272,100

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 18 – FUND BALANCES

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

	General	Building	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<i>Nonspendable:</i>					
Prepays	\$24,534	\$0	\$0	\$4,053	\$28,587
Inventory	0	0	0	6,181	6,181
<i>Total Nonspendable</i>	<i>24,534</i>	<i>0</i>	<i>0</i>	<i>10,234</i>	<i>34,768</i>
<i>Restricted:</i>					
<i>Special Revenues:</i>					
Food Service	0	0	0	307,111	307,111
Facilities Maintenance	0	0	0	21,194	21,194
Student Activities	0	0	0	111,817	111,817
Athletics	0	0	0	52,572	52,572
Local Grants	0	0	0	15,352	15,352
State Grants	0	0	0	81,813	81,813
Federal Grants	0	0	0	2,244	2,244
Trust Funds	0	0	0	59,488	59,488
Capital Projects	0	19,032,554	0	0	19,032,554
<i>Total Restricted</i>	<i>0</i>	<i>19,032,554</i>	<i>0</i>	<i>651,591</i>	<i>19,684,145</i>
<i>Committed:</i>					
Capital Projects	0	0	10,482,169	0	10,482,169
<i>Total Committed</i>	<i>0</i>	<i>0</i>	<i>10,482,169</i>	<i>0</i>	<i>10,482,169</i>
<i>Assigned:</i>					
<i>Encumbrances:</i>					
Instruction	350,770	0	0	0	350,770
Support Services	980,818	0	0	0	980,818
Extracurricular Activities	9,959	0	0	0	9,959
Capital Outlay	10,385	0	0	10,182	20,567
Public School Support	49,266	0	0	0	49,266
<i>Total Assigned</i>	<i>1,401,198</i>	<i>0</i>	<i>0</i>	<i>10,182</i>	<i>1,411,380</i>
<i>Unassigned</i>	<i>8,922,823</i>	<i>0</i>	<i>0</i>	<i>(207,576)</i>	<i>8,715,247</i>
Total Fund Balance	\$10,348,555	\$19,032,554	\$10,482,169	\$464,431	\$40,327,709

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 19 - INTERFUND ACTIVITY

As of June 30, 2024, receivables and payables that resulted from various interfund transactions were as follows:

	Interfund Receivable	Interfund Payable
General	\$196,070	\$0
<i>Nonmajor Special Revenue Funds:</i>		
ESSER	0	142,871
Title I	0	15,387
Title IV-A	0	2,480
Improving Teacher Quality	0	14,472
Miscellaneous Federal Grants	0	20,860
Total Non-Major Funds	0	196,070
Total	<u>\$196,070</u>	<u>\$196,070</u>

All the interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made.

	Transfer In	Transfer Out
General	\$0	\$5,391,429
Capital Projects	5,391,429	0
Total	<u>\$5,391,429</u>	<u>\$5,391,429</u>

Transfers of \$5,391,429 were made from the General Fund to the Capital Projects Fund to reallocate monies for capital project payments.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 20 - STATUTORY SET-ASIDES

The following changes occurred in the School District's set-aside reserve accounts during fiscal year 2024:

	<u>Capital Improvements</u>
Set Aside Balance June 30, 2023	\$0
Current Year Set Aside Requirement	319,393
Qualifying Disbursements	<u>(2,086,885)</u>
Total	<u>(1,767,492)</u>
Set Aside Reserved Balance as of June 30, 2024	<u><u>\$0</u></u>

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital improvements set-aside, this amount may not be used to reduce the set-aside requirement for future years. The negative balance is therefore not presented as being carried forward to future years.

NOTE 21 – ENCUMBRANCE COMMITMENTS

At June 30, 2024, the School District had encumbrance commitments in the governmental funds as follows:

<u>Major Funds</u>	
General	\$1,351,932
Building	694,849
Capital Projects	75,214
<u>Nonmajor Funds</u>	
Permanent Improvement	5,500
Food Service	29,904
Memorial Trust Fund	1,948
Primary Childrens Account	1,150
Student Activities	19,253
Athletics	4,174
Miscellaeous State Grants	403
ESSER	<u>123</u>
<i>Total Nonmajor Funds</i>	<u>62,455</u>
<i>Total Encumbrances</i>	<u><u>\$2,109,236</u></u>

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS

Jointly Governed Organization

Metropolitan Educational Technology Association (META) The School District is a participant in the Metropolitan Educational Technology Association (META), which is a computer consortium and a regional council of governments. META is an educational solutions partner providing services across Ohio. META 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 consists of a president, vice president and twelve board members who represent the members of META. The Board works with META's Chief Executive Officer, and 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 Association including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. The School District paid META \$72,788 for services provided during the fiscal year. Financial information can be obtained from META Solutions, David Varda, CFO, 100 Executive Drive, Marion Ohio 43302.

Insurance Purchasing Pool

South Central Ohio Insurance Consortium - The School District is a member of the South Central Ohio Insurance Consortium (SCOIC), an insurance purchasing pool. The SCOIC's primary purpose and objective is establishing and carrying out a cost effective cooperative health program for its member organizations. The governing board consists of the superintendent or other designee appointed by each of the members of the SCOIC. Members include 24 public entities with approximately 4,000 employees covered for medical and prescription benefits with many different plan designs in place, as well as dental, vision, life, and accidental death and dismemberment insurances. The Bloom-Carroll Local School District serves as the fiscal agent for the SCOIC.

SCOIC, a risk sharing, claims servicing, and insurance purchasing pool, for medical, dental, and prescription drug coverage on a self-insured basis and for an internal pool and stop loss insurance. The SCOIC members are considered self-insured and pay a monthly premium to SCOIC that is actuarially calculated based on the participants' actual claims experience which are utilized for the payments of claims within the claims servicing pool up to the self-insurance deductible limit; and for this portion of the plan, all plan participants retain their own risk. An additional fee is paid for participation in the internal pool that is based on the claims of the internal pool in aggregate and is not based on individual claims experience. In the event of a deficiency in the internal pool, participants would be charged a higher rate for participation, and in the event of a surplus, the internal pool paid dividends to the participants. The School District, member of SCOIC, participated in the shared risk pool through SCOIC for individual claims in excess of \$100,000. SCOIC contracts with CareFactor to service claims of SCOIC members. SCOIC has an internal pool for stop loss coverage provided by a third-party for individual claims over \$1,500,000. SCOIC members also participate in an internal pool shared risk pool for individual claims from \$500,000 to \$1,500,000. Sun Life provides stop loss coverage for individual claims over \$1,500,000 for members. In the event that the School District would withdraw from SCOIC, the School District would be required to give a 180-day notice prior to the end of their three-year contract, be responsible for all run-out claims and would have no rights to share in any surplus funds of SCOIC. To obtain financial information for the SCOIC, write to the fiscal agent, Bloom-Carroll Local School District, 5240 Plum Road NW, Carroll, Ohio 43112.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024*

NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)

Ohio SchoolComp Workers' Compensation Group Rating Program - The Ohio SchoolComp Workers' Compensation Group Rating Program (Program) is a shared risk pool among school districts in Ohio. Section 4123.29, Ohio Revised Code, permits the establishment of employer group rating plans for workers' compensation rating purposes. The Program is governed by the Ohio School Board Association (OSBA) Executive Committee that consists of seven members as follows: the president of OSBA, Immediate Past President of OSBA, and five representatives elected from the participating school districts. The District used SWEPC for the entire fiscal year.

The Program, a Bureau of Workers' Compensation certified sponsor, established the program based upon guidelines set forth by the Bureau of Workers' Compensation (BWC). The Program created a group of school districts that will practice effective workplace safety and claims management to achieve lower premiums for workers compensation coverage than they would individually. The participating school districts continue to pay their own premiums and have the opportunity to receive premium adjustments based upon the combined performance of the group. Depending upon that performance, the participating school districts can receive either a premium refund or premium assessment. The Program's third party administrator (MCO) Minutemen (used for the entire fiscal year) provides administrative, cost control, and actuarial services to the Program. The cost of the TPA will be paid by each school district in proportion to its payroll to the total payroll of the group. The School District paid \$30,657 to the Program during fiscal year 2024.

NOTE 23 - CONTINGENCIES

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2024, if applicable, cannot be determined at this time.

B. School Foundation

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, ODE adjustments for fiscal year 2024 are finalized. As a result, the net impact of the FTE adjustments on the fiscal year 2024 financial statements was insignificant.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of Net Pension Liability
Last Ten Measurement Periods

	2024	2023	2022	2021
<u>School Employees Retirement System of Ohio</u>				
District's Proportion of the Net Pension Liability	0.0764813%	0.0680124%	0.0688166%	0.0677559%
District's Proportionate Share of the Net Pension Liability	\$4,225,986	\$3,678,640	\$2,539,133	\$4,481,518
District's Covered Payroll	\$3,142,457	\$3,029,486	\$2,741,143	\$2,285,236
District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered Payroll	134.48%	121.43%	92.63%	196.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.06%	75.82%	82.86%	68.55%
<u>State Teachers Retirement System of Ohio</u>				
District's Proportion of the Net Pension Liability	0.05871040%	0.05617050%	0.05394934%	0.05089728%
District's Proportionate Share of the Net Pension Liability	\$12,643,248	\$12,486,773	\$6,897,909	\$12,315,331
District's Covered Payroll	\$8,858,779	\$7,791,086	\$7,531,557	\$6,102,993
District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered Payroll	142.72%	160.27%	91.59%	201.79%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.00%	78.88%	87.80%	75.50%

Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.0645845%	0.0696363%	0.0703983%	0.0711016%	0.0668325%	0.0661210%
\$3,864,203	\$3,988,200	\$4,206,142	\$5,203,980	\$3,813,527	\$3,346,346
\$2,076,637	\$2,259,222	\$2,570,000	\$2,487,429	\$2,654,107	\$2,480,924
186.08%	176.53%	163.66%	209.21%	143.68%	134.88%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%
0.05221475%	0.05108788%	0.05355662%	0.05376593%	0.05156114%	0.04919111%
\$11,546,977	\$11,233,077	\$12,722,489	\$17,997,077	\$14,249,991	\$11,964,980
\$6,341,193	\$5,779,007	\$5,824,650	\$5,714,743	\$5,392,193	\$5,467,464
182.09%	194.38%	218.42%	314.92%	264.27%	218.84%
77.40%	77.30%	75.30%	66.80%	72.10%	74.70%

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of Net OPEB Liability/Asset
Last Eight Measurement Periods (1)

	2024	2023	2022	2021
<u>School Employees Retirement System of Ohio</u>				
District's Proportion of the Net OPEB Liability	0.07847270%	0.07018110%	0.07118500%	0.06942280%
District's Proportionate Share of the Net OPEB Liability	\$1,292,795	\$985,350	\$1,345,787	\$1,508,785
District's Covered-Employee Payroll	\$3,142,457	\$3,029,486	\$2,741,143	\$2,285,236
District's Proportionate Share of the Net OPEB Liability as a Percentage of it's Covered-Employee Payroll	41.14%	32.53%	49.10%	66.02%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.02%	30.34%	24.08%	18.17%
<u>State Teachers Retirement System of Ohio</u>				
District's Proportion of the Net OPEB Liability	0.05871040%	0.05617050%	0.05394934%	0.05089728%
District's Proportionate Share of the Net OPEB Asset	\$1,141,836	\$1,454,441	\$1,137,478	\$894,519
District's Proportionate Share of the Net OPEB Liability	\$0	\$0	\$0	\$0
District's Covered-Employee Payroll	\$8,858,779	\$7,791,086	\$7,531,557	\$6,102,993
District's Proportionate Share of the Net OPEB Liability as a Percentage of it's Covered-Employee Payroll	(12.89%)	(18.67%)	(15.10%)	(14.66%)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	168.50%	230.73%	174.70%	182.10%

(1) Information prior to 2017 is not available.

Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2020	2019	2018	2017
0.06654380%	0.07047310%	0.07170010%	0.07181380%
\$1,673,437	\$1,955,114	\$1,924,242	\$2,046,959
\$2,076,637	\$2,259,222	\$2,570,000	\$2,487,429
80.58%	86.54%	74.87%	82.29%
15.57%	13.57%	12.46%	11.49%
0.05221475%	0.05108788%	0.05355662%	0.05376593%
\$864,805	\$820,929	\$0	\$0
\$0	\$0	\$2,089,581	\$2,875,416
\$6,341,193	\$5,779,007	\$5,824,650	\$5,714,743
(13.64%)	(14.21%)	35.87%	50.32%
174.70%	176.00%	47.10%	37.30%

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

*Schedule of the District's Contributions
School Employees Retirement Systems of Ohio
Last Ten Fiscal Years*

	2024	2023	2022	2021
<u>Pension</u>				
Contractually Required Contributions	\$439,944	\$424,128	\$383,760	\$366,669
Contributions in Relation to the Contractually Required Contributions	(439,944)	(424,128)	(383,760)	(366,669)
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
District Covered-Employee Payroll	\$3,142,457	\$3,029,486	\$2,741,143	\$2,619,064
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%
<u>OPEB</u>				
Contractually Required Contributions	\$63,001	\$49,756	\$49,094	\$46,372
Contributions in Relation to the Contractually Required Contributions	(63,001)	(49,756)	(49,094)	(46,372)
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
District Covered-Employee Payroll	\$3,142,457	\$3,029,486	\$2,741,143	\$2,619,064
Contributions as a Percentage of Covered-Employee Payroll	2.00%	1.64%	1.79%	1.77%

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
\$319,933	\$280,346	\$304,995	\$359,800	\$348,240	\$349,811
(319,933)	(280,346)	(304,995)	(359,800)	(348,240)	(349,811)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,285,236	\$2,076,637	\$2,259,222	\$2,570,000	\$2,487,429	\$2,654,107
14.00%	13.50%	13.50%	14.00%	14.00%	13.18%
\$40,402	\$52,674	\$48,601	\$40,291	\$35,309	\$55,804
(40,402)	(52,674)	(48,601)	(40,291)	(35,309)	(55,804)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,285,236	\$2,076,637	\$2,259,222	\$2,570,000	\$2,487,429	\$2,654,107
1.77%	2.54%	2.15%	1.57%	1.42%	2.10%

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
Schedule of the District's Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
<u>Pension</u>				
Contractually Required Contributions	\$1,240,229	\$1,090,752	\$1,054,418	\$934,645
Contributions in Relation to the Contractually Required Contributions	<u>(1,240,229)</u>	<u>(1,090,752)</u>	<u>(1,054,418)</u>	<u>(934,645)</u>
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
District Covered-Employee Payroll	\$8,858,779	\$7,791,086	\$7,531,557	\$6,676,036
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%
 <u>OPEB</u>				
Contractually Required Contributions	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
District Covered-Employee Payroll	\$8,858,779	\$7,791,086	\$7,531,557	\$6,676,036
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
\$854,419	\$887,767	\$809,061	\$815,451	\$800,064	\$754,907
(854,419)	(887,767)	(809,061)	(815,451)	(800,064)	(754,907)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 \$6,102,993	 \$6,341,193	 \$5,779,007	 \$5,824,650	 \$5,714,743	 \$5,392,193
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
 \$0	 \$0	 \$0	 \$0	 \$0	 \$0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
 \$6,102,993	 \$6,341,193	 \$5,779,007	 \$5,824,650	 \$5,714,743	 \$5,392,193
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2024

NOTE 1 – SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

Pension

Changes in benefit terms:

2014-2017: There were no changes in benefit terms for the period.

2018: The following were the most significant changes in benefit terms:

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

2019: The following were the most significant changes in benefit terms:

- Under Senate Bill 8, the Board enacted a three-year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

2020-2024: There were no changes in benefit terms for the period.

Changes in assumptions:

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

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

2018-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.00% to 2.4%
- Payroll Growth Assumption was reduced from 3.5% to 3.25%

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2024

NOTE 1 – SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO (Continued)

- Mortality among active members was updated to the following:
 - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection and a five year age set-forward 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:
 - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection with Scale BB, 105.5% of male rates, and 122.5% of female rates.

2023: The following changes were made to the actuarial assumptions as identified:

- Cost-of-Living Adjustments was increased from 2.00% to 2.50% for calendar year 2023.

2024: The following changes were made to the actuarial assumptions as identified:

- Cost-of-Living Adjustments was increased from 2.00% to 2.50% for calendar year 2024.

Other Postemployment Benefits

Changes in benefit terms:

2017-2024: There were no changes in benefit terms for the period.

Changes in assumptions:

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

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

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent.
- Discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent.

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2024

NOTE 1 – SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO (Continued)

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.00% to 2.4%
- Payroll Growth Assumption was reduced from 3.5% to 1.75%
- Mortality among active members was updated to the following:
 - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection and a five year age set-forward 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:
 - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection with Scale BB, 105.5% of male rates, and 122.5% of female rates.

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2024: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- The assumption for percent of pre-Medicare eligible retirees who chose the Wraparound plan increased from 10% to 20%.
- The health care trend assumption on retiree premiums was updated to not apply trend to the \$35 surcharge.
- An assumption was added to assume that 15% of pre-65 retirees who waive will elect coverage upon Medicare eligibility.

NOTE 2 - STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Pension

Changes in benefit terms:

2017-2024: There were no changes in benefit terms for the period.

Changes in assumptions:

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Long term expected rate of return was reduced from 7.75% to 7.45%,
- Inflation assumption was lowered from 2.75% to 2.50%,
- Payroll growth assumption was lowered to 3.00%,
- Total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation.
- Healthy and disabled mortality assumptions were updated to the following:
 - RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2024

NOTE 2 - STATE TEACHERS RETIREMENT SYSTEM OF OHIO (Continued)

2022: Long term expected rate of return was reduced from 7.45% to 7.00%.

2023: Projected salary increases beginning rate changed from 12.50% to 8.50%.

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

Other Postemployment Benefits

Changes in benefit terms:

2017: There were no changes in benefit terms for the period.

2018: The following were the most significant changes in benefit terms:

- The subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service.
- Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries.
- All remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements is extended to January 2020.

2019: The following were the most significant changes in benefit terms:

- The subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service effective January 1, 2019.
- The non-Medicare frozen subsidy base premium was increased effective January 1, 2019.
- All remaining Medicare Part B premium reimbursements will be discontinued beginning January 2021.

2020: The following were the most significant changes in benefit terms:

- The subsidy multiplier for non-Medicare benefit recipients was increased from 1.944% to 1.984% per year of service effective January 1, 2020.
- The non-Medicare frozen subsidy base premium was increased effective January 1, 2020.
- Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare Plan.
- Medicare Part B monthly reimbursements elimination date was postponed to January 1, 2021.

2021: The following were the most significant changes in benefit terms:

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

2022 - 2024: There were no changes in benefit terms for the period.

Changes in assumptions:

2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2024

NOTE 2 - STATE TEACHERS RETIREMENT SYSTEM OF OHIO (Continued)

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Discount rate was increased from 3.26% to 4.13%
- Long term expected rate of return was reduced from 7.75% to 7.45%.
- Valuation year per capita health care costs were updated, and the salary scale was modified.
- The percentage of future retirees electing each option was updated
- The percentage of future disabled retirees and terminated vested participants electing health coverage were decreased.
- The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

2019: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45%
- Valuation year per capita health care costs were updated

2020-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: Discount rate was reduced from 7.45% to 7.00%.

2023: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Projected salary increases beginning rate changed from 12.50% to 8.50%.
- Health care cost trend rates were modified for medical and prescription drug costs.

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 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			
School Breakfast Program	10.553	N/A	\$ 138,536
National School Lunch Program - Noncash Assistance	10.555	N/A	60,452
National School Lunch Program	10.555	N/A	405,824
Total National School Lunch Program			466,276
Total Child Nutrition Cluster			604,812
TOTAL U.S. DEPARTMENT OF AGRICULTURE			604,812
U.S. DEPARTMENT OF TREASURY <i>Passed Through Ohio Department of Education</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	2023	114,172
TOTAL U.S. DEPARTMENT OF TREASURY			114,172
U.S. ENVIRONMENTAL PROTECTION AGENCY <i>Direct Program</i>			
Clean School Bus Program	66.045	2022	780,640
TOTAL U.S. DEPARTMENT OF TREASURY			780,640
U.S. DEPARTMENT OF EDUCATION <i>Passed Through Ohio Department of Education</i>			
Title I Grants to Local Educational Agencies:			
Title I Grants to Local Educational Agencies	84.010	2023	26,689
Title I Grants to Local Educational Agencies	84.010	2024	256,856
Total Title I Grants to Local Educational Agencies			283,545
Special Education Cluster:			
Special Education - Grants to States (IDEA, Part B)	84.027	2024	361,087
Special Education - Preschool Grants (IDEA Preschool)	84.173	2024	8,104
Total Special Education Cluster			369,191
Supporting Effective Instruction State Grants	84.367	2024	36,504
Student Support and Academic Enrichment Program	84.424	2024	22,970
COVID-19 Education Stabilization Fund (ESF):			
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	2023	265,437
Total COVID-19 Education Stabilization Fund (ESF)			265,437
TOTAL U.S. DEPARTMENT OF EDUCATION			977,647
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,477,271

The accompanying notes are an integral part of this schedule.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Notes To the Schedule of Expenditures of Federal Awards

2 CFR 200.510(b)(6)

For the Fiscal 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 **Amanda-Clearcreek Local School District**, Fairfield County, Ohio (the District) 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 District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D – CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

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

Amanda-Clearcreek Local School District

Fairfield County

328 East Main Street

Amanda, Ohio 43102

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Amanda-Clearcreek Local School District**, Fairfield County (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 24, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of audit findings as item 2024-001 that we consider to be a significant deficiency.

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

District's Response to Findings

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

Purpose of this Report

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

January 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**

Amanda-Clearcreek Local School District
Fairfield County
328 East Main Street
Amanda, Ohio 43102

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited **Amanda-Clearcreek Local School District's**, Fairfield County (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Amanda-Clearcreek Local School District's major federal program for the year ended June 30, 2024. Amanda-Clearcreek Local School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of audit findings.

In our opinion, Amanda-Clearcreek Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 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 District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Marietta, OH

St. Clairsville, OH

Cambridge, OH

Wheeling, WV

Vienna, WV

PASSION Beyond the Numbers

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Amanda-Clearcreek Local School District
Fairfield 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
Page 3

Report on Internal Control Over Compliance

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

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

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

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

January 24, 2025

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT*Schedule of Audit Findings*

2 CFR § 200.515

For the Fiscal Year Ended 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)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Clean School Bus Program – AL # 66.045
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS****FINDING NUMBER 2024-001****Significant Deficiency****Financial Reporting**

Accurate financial reporting is the responsibility of the District and is essential to ensure information provided to the readers of the financial statements is accurate.

AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

Schedule of Audit Findings

2 CFR § 200.515

For the Fiscal Year Ended June 30, 2024

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

FINDING NUMBER 2024-001 (Continued)

Significant Deficiency (Continued)

Financial Reporting (Continued)

The following errors with the District's annual financial report were noted and were adjusted to ensure correct beginning balances for Cash, Payables, and Capital Assets roll forward:

- The Cost to Market adjustment for the investment account at RedTree was mistakenly posted in reverse causing an overstatement of \$13,808 in both Equity in Pooled Cash and Cash Equivalents and Increase (Decrease) in Fair Value of Investment in the General Fund, as well as an understatement of \$211,428 in both Equity in Pooled Cash and Cash Equivalents and Increase (Decrease) in Fair Value of Investment in the Capital Projects Fund. This also resulted in an understatement of \$197,620 in both Equity in Pooled Cash and Cash Equivalents and Investment Earnings for Governmental Activities;
- An application for payment for work performed in Fiscal Year 2024 was mistakenly excluded from Contracts Payable, resulting in an understatement of \$553,189 in both Contracts Payable and Capital Outlay in the Building Fund. This also resulted in an understatement of \$553,189 in both Contracts Payable and Instruction: Regular for Governmental Activities; and
- Errors were noted in the calculation of Nondepreciable and Depreciable Capital Asset amounts due to transitioning from using a service organization for capital asset reporting to using compiler prepared workpapers. Overall, this resulted in an understatement of Nondepreciable Capital Assets of \$454,959 and an overstatement of Depreciable Capital Assets, Net of \$870,245. Also, total expenses were understated by \$415,286, allocated between understatements of Instruction: Regular (\$439,377) and Extracurricular Activities (\$667) and overstatements of Support Services: Operation and Maintenance of Plant (\$1,000), Support Services: Pupil Transportation (\$23,623), and Operation of Non-Instructional Services: Food Service (\$135).

Not completing year end adjusting entries accurately resulted in the financial statements requiring adjustment. The financial statements, MD&A, and Notes to the Financial Statements reflect all adjustments noted above.

The following adjustment was immaterial to the overall financial statements of the District and was not posted to the financial statements or ledgers:

- Technology Fund and Roof Project balances in the General Fund were mistakenly subtracted from Encumbrances when determining the assigned fund balance, resulting in the assigned fund balance being understated and the unassigned fund balance being overstated.

To help ensure accuracy and reliability in the financial reporting process, we recommend that management work with their compiler to perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all year end adjusting entries are properly calculated and incorporated into the financial statements. The listing of all capital assets should also be reviewed to ensure all assets maintained by the District are properly accounted for.

Officials' Response: See corrective action plan.

3. FINDINGS FOR FEDERAL AWARDS

None



Amanda-Clearcreek Local School District

328 East Main Street
Amanda, Ohio 43102
740-969-7250 (phone)
740-969-7620 (fax)



Summary Schedule of Prior Audit Findings

2 CFR 200.511(b)

For the Fiscal Year Ended June 30, 2024

Finding Number	Finding Summary	Status	Additional Information
2023-001	Financial Reporting	Partially Corrected	Repeated as Finding 2024-001.



Amanda-Clearcreek Local School District

328 East Main Street
Amanda, Ohio 43102
740-969-7250 (phone)
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***Corrective Action Plan
2 CFR § 200.511(c)***
For the Fiscal Year Ended June 30, 2024

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	<p>In response to the finding bullet number one, the GAAP compilers offer the following information: The District properly accounted for their investments in the cash records and provided accurate information for their investment accounts to the contracted GAAP compilers. The conversion team made improper GAAP entries to make the necessary the cost to market adjustments, which resulted in the financial statement error.</p> <p>For bullet number two, the GAAP compilers offer the following information: The District provided the proper information for payables as of year-end. The GAAP conversion team made an error in calculating the contract payable for a construction project that was not completed by the end of Fiscal Year 2024, which resulted in the contracts payable being understated in the financial statements.</p> <p>For bullet number three the district offers the following information and corrective action:</p> <p>The district contracted with a third party for a complete inventory including capital assets in June 2024. While best attempts were made to reconcile the physical inventory with the previous third party documents, some assets were double counted and not appropriately depreciated. With the corrections from this audit, future capital assets should be accounted for and appropriately depreciated.</p> <p>In addition the GAAP compilers offer this information for the immaterial error referenced in bullet number 4:</p> <p>During the GAAP conversion an error was made in the GASB 84 calculations for fund balances. The error by the conversion team resulted in immaterial differences in the financial statements for assigned fund balance and unassigned fund balance in the General Fund. The District's fund balances in their accounting system was accurate the immaterial error was a result of the GAAP adjustments.</p>	1/27/2025	Lana Fairchild

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OHIO AUDITOR OF STATE KEITH FABER



AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

FAIRFIELD 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