



**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY
JUNE 30, 2024**

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INDEPENDENT AUDITOR'S REPORT

Williamsburg Local School District
Clermont County
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Williamsburg, Ohio 45176

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 Williamsburg Local School District, Clermont County, Ohio (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 Williamsburg Local School District, Clermont County, Ohio as of June 30, 2024, and the respective changes in financial position 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.

Emphasis of Matter

As discussed in Note 21, during 2024, the District implemented new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 100 *Accounting Changes and Error Corrections*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 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.



Keith Faber
Auditor of State
Columbus, Ohio
March 11, 2025

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Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

As management of the Williamsburg Local School District (the School District), we offer the readers of the School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the additional information that we have provided in the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the School District exceeded its liabilities and deferred inflows of resources at June 30, 2024 by \$23,146,697.
- The School District's net position increased \$15,551,812 during this fiscal year's operations.
- General revenues accounted for \$25,088,212 or 84 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$4,905,462 or 16 percent of total revenues of \$29,993,674.
- The School District had \$14,441,862 in expenses related to governmental activities; only \$4,905,462 of these expenses were offset by program specific charges for services and sales, grants, contributions and interest.

Using the Basic Financial Statements

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

The statement of net position and the statement of activities provide information about the activities of the School District as a whole and present 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. The major funds of the School District are the general fund, and the locally funded initiative and OFCC construction capital projects funds.

Reporting the School District as a Whole

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 statement 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, liabilities, and deferred inflows/outflows 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 net position. 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.

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Reporting the School District's Most Significant Funds

Fund Financial Statements

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.

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.

The School District as a Whole

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 the fiscal years ending June 30, 2024 and 2023:

(Table 1) Net Position Governmental Activities		
	2024	2023
Assets		
Current and Other Assets	\$47,001,802	\$12,352,142
Capital Assets, Net	14,510,597	14,095,601
Total Assets	61,512,399	26,447,743
Deferred Outflows of Resources	3,587,968	2,864,018
Liabilities		
Current and Other Liabilities	1,601,336	1,598,179
Long-Term Liabilities	35,338,701	14,548,914
Total Liabilities	36,940,037	16,147,093
Deferred Inflows of Resources	5,013,633	5,569,783
Net Position		
Net Investment in Capital Assets	\$11,848,495	\$12,300,945
Restricted	15,001,585	1,886,138
Unrestricted (Deficit)	(3,703,383)	(6,592,198)
Total Net Position	<u>\$23,146,697</u>	<u>\$7,594,885</u>

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Current and other assets increased between years, due primarily to cash and cash equivalents and intergovernmental receivable. Cash and cash equivalents increase as a result of unspent proceeds of the \$19,000,000 certificates of participation issued during the current fiscal year. Intergovernmental receivables increased due to a classroom facilities project. Capital assets, net increased between years, due to additions in excess of depreciation/amortization expense and disposals. Deferred outflows increased between years, related to the change in proportionate share of the state-wide net pension and OPEB liabilities. Long-term liabilities increased between years, due primarily to the issuance of certificates of participation and an increase in the School District's proportionate share of the state-wide net pension and OPEB liabilities. Deferred inflows decreased between years, related to the change in proportionate share of the state-wide net pension and OPEB liabilities (assets).

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

Revenue is divided into two major components: Program revenues and general revenues. Program revenues are defined as charges for services and sales and restricted operating grants, capital grants, contributions, and interest. General revenues include taxes and unrestricted grants, such as State foundation support, gifts and donations, investment earnings, and miscellaneous.

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Williamsburg Local School District
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(Table 2)
Change in Net Position
Governmental Activities

	2024	2023
Revenues		
Program Revenues		
Charges for Services and Sales	\$857,763	\$806,272
Operating Grants, Contributions, and Interest	3,087,314	2,235,487
Capital Grants, Contributions, and Interest	960,385	1,200,000
Total Program Revenues	4,905,462	4,241,729
General Revenues		
Property Taxes	4,450,015	4,179,055
Payments in Lieu of Taxes	778,799	218,097
Grants and Entitlements not Restricted to Specific Programs	6,728,206	6,079,131
Grants and Entitlements Restricted to Construction Programs	12,395,162	0
Gifts and Donations not Restricted to Specific Programs	0	2,330
Investment Earnings	423,517	211,603
Miscellaneous	312,513	97,288
Total General Revenues	25,088,212	10,787,504
Total Revenues	29,993,674	15,029,263
Program Expenses		
Instruction		
Regular	\$5,816,661	\$6,025,153
Special	2,196,862	1,872,101
Vocational	19,363	1,751
Support Services		
Pupils	641,502	544,455
Instructional Staff	301,517	179,059
Board of Education	44,700	46,167
Administration	1,002,587	978,136
Fiscal	416,268	450,211
Business	2,199	0
Operation and Maintenance of Plant	1,488,097	1,528,898
Pupil Transportation	676,893	782,137
Central	233,833	216,449
Operation of Non-Instructional Services	227,630	221,983
Extracurricular Activities	805,939	679,555
Interest	218,821	40,995
Issuance Costs	348,990	0
Total Expenses	14,441,862	13,567,050
Change in Net Position	15,551,812	1,462,213
Net Position at Beginning of Year	7,594,885	6,132,672
Net Position at Ending of Year	\$23,146,697	\$7,594,885

Capital grants and contributions decreased between years due to a larger donation for the School District's stadium project received in the prior year as compared to the current year. Operating grants and contributions increased between years due to the timing of grant revenues. Unrestricted grants and entitlements increased due to addition foundation monies received. Grants and Entitlements Restricted to Construction Programs increased to due a grant

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award recognized for a classroom facilities project. Payments in lieu of taxes increased to monies received from the South Afton Industrial Park. Investment earnings increased due to continued improvements in the economy plus certificates of participation proceeds on deposit.

The School District experienced an increase in special instruction expenses, as well as pupils and instructional staff support service expenses, due to increased costs during the year. Interest and issuance costs increased due to the School District's issuance of certificates of participation.

Governmental Activities

Grants and entitlements not restricted to specific programs made up 22 percent of total revenues for governmental activities of the School District for fiscal year 2024. Property taxes made up 15 percent of total revenues for governmental activities for a total of 37 percent of total revenues coming from property taxes and grants and entitlements not restricted to specific programs. Grants and Entitlements Restricted to Construction Programs made up 41 percent of total revenues for 2024. Charges for services and sales and operating grants and contributions also comprised 3 percent and 10 percent, respectively. Capital grants and contributions comprised 3 percent.

Instruction comprises 56 percent of governmental program expenses, with regular instruction and special instruction comprising 40 percent and 15 percent, respectively, of program expenses. Support services expenses make up 33 percent of governmental program expenses.

The statement of activities shows the cost of program services and the charges for services and sales, grants, contributions and interest, capital grants, contributions and interest offsetting those services. In Table 3, the total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Net costs are costs that must be covered by unrestricted state aid (state foundation) or local taxes. The difference in these two columns would represent charges for services and sales, restricted grants, donations and restricted interest.

(Table 3)
Governmental Activities

	Total Cost of Services 2024	Net Cost of Services 2024	Total Cost of Services 2023	Net Cost of Services 2023
Instruction	\$8,032,886	\$5,797,192	\$7,899,005	\$6,246,404
Support Services	4,807,596	2,862,809	4,725,512	3,836,984
Operation of Non-Instructional Services	227,630	7,479	221,983	42,441
Extracurricular Activities	805,939	301,109	679,555	(841,533)
Interest	218,821	218,821	40,995	40,995
Issuance Costs	348,990	348,990	0	0
Total Expenses	\$14,441,862	\$9,536,400	\$13,567,050	\$9,325,291

The School District's Funds

Governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$41,054,879 and expenditures and other financing uses of \$18,248,537. The net change in fund balance for the fiscal year was most significant in the locally funded initiative fund and the OFCC construction fund, with increases of \$15,044,220 and \$5,892,334, respectively, due to the School District issuing certificates of participation during the current fiscal year. The general fund balance increased \$97,274, which is primarily due to a larger property tax, intergovernmental revenue, and payments in lieu of taxes received in the current year.

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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 basis of cash receipts, disbursements and encumbrances. 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.

The School District's ending unobligated cash balance was \$28,044 above the final budgeted amount in the general fund.

For the general fund, original budgeted revenues and other financing sources were \$14,010,568 and final budgeted revenues and other financing sources were \$14,586,803. This represents an increase in estimated revenue of \$576,235 due largely to an increase in payments in expected intergovernmental revenue and payments in lieu of taxes. The difference between actual budget basis revenues and final budget basis revenues was \$28,044, due to interest revenues being higher than expected.

Original budgeted expenditures and other financing uses in the general fund were \$12,580,005 and final budgeted expenditures and other financing uses were \$14,075,254. This represents an increase in estimated expenditures and other financing uses of \$1,495,249. This difference was due to increases in regular and special instruction, administration, and debt service payments.

Capital Assets and Debt Administration

Capital Assets

The School District's investment in capital assets as of June 30, 2024 was \$14,510,597. This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, furniture, fixtures, equipment, vehicles, and intangible right to use leased assets. Table 4 shows fiscal year 2024 balances compared to fiscal year 2023:

(Table 4)
Capital Assets at June 30
(Net of Depreciation/Amortization)
Governmental Activities

	2024	2023
Land	\$830,100	\$830,100
Construction in Progress	0	773,460
Land Improvements	1,740,381	748,573
Buildings and Improvements	10,770,866	10,692,459
Furniture, Fixtures and Equipment	683,714	582,380
Vehicles	433,508	400,171
Intangible Right to Use Leased Assets	52,028	68,458
Totals	<u>\$14,510,597</u>	<u>\$14,095,601</u>

Net capital assets increased \$414,996 from the prior fiscal year. This was due to capital assets additions in excess of depreciation/amortization expense and disposals.

For more information on capital assets, refer to note 8 of the notes to the basic financial statements.

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Debt

At June 30, 2024, the School District had \$1,330,000 in a financed purchase agreement outstanding with \$180,000 due within one year, and \$20,277,786 in certificates of participations outstanding with \$5,000 due within one year. The School District also had \$54,316 in leases payable with \$16,236 due within one year. Table 5 summarizes the bonds and financed purchase agreement outstanding:

(Table 5)
Outstanding Debt at June 30
Governmental Activities

	2024	2023
Energy Conservation Bonds		
2012 Energy Conservation Bonds 1.150%-2.750%	\$0	\$165,000
Premium on Debt Issue	0	4,963
Financed Purchase Agreement	1,330,000	1,505,000
Leases Payable	54,316	69,779
Certificates of Participation	20,277,786	0
Totals	<u>\$21,662,102</u>	<u>\$1,744,742</u>

The School District's overall legal debt margin was \$16,679,305 with an unvoted debt margin of \$185,326 at June 30, 2024.

In March 2012, the School District issued energy conservation bonds for an energy efficiency project, and was paid in full during the current fiscal year.

In June 2021, the School District entered into a financed purchase agreement for the purpose of improvements to School District facilities, including acquisition and installation of a new roof for the high school building.

In August 2022, the School District entered into a lease agreement for the purchase of copiers.

In April 2024, the School District issued certificates of participation in the amount of \$19,000,000 for an elementary school improvement project.

For more information on debt, refer to note 12 of the notes to the basic financial statements.

School District Challenges for the Future

The Williamsburg Local Schools Board of Education is committed to academic excellence and sound fiscal stewardship. In FY24 the District received over 58% of general fund operating revenues from state sources, with the balance coming from local real estate taxes, PUPP, and other local sources. As a small district, typically ranging between 950-1,000 students annually, this dual commitment can be extremely challenging to maintain.

However, this commitment was clearly demonstrated in FY24. In October the School District received the Ohio School Report Card for School Year 2023-2024, earning 4.5 out of 5 stars for the second straight year. This recognizes Williamsburg Schools as one of the best districts in the region, let alone the county. Best yet, the School District is also concurrently recognized as being in the bottom 20% statewide for cost per student. This means our students are receiving a top shelf education, and our community is receiving strong value for their tax dollars.

The School District currently stands on firm financial footing. This is a result of several factors:

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- **ESSER:** In response to the COVID-19 pandemic, the federal government provided financial support to schools nationwide via three rounds of Elementary and Secondary School Emergency Relief, or “ESSER”. These federal funds have been especially impactful at Williamsburg Schools. It helped the District to offset the extra resources needed to respond to the pandemic, and funded some crucial capital projects. The district exhausted 100% of their ESSER grant funds prior to the completion of FY24. While many districts nationwide are trying to minimize the impact of the "ESSER cliff", Williamsburg Schools are fully prepared to absorb those costs back into General Fund without financial hardship.
- **Fair School Funding Plan (FSFP):** After decades of unconstitutional school funding, as ruled by the Ohio Supreme Court, the state of Ohio finally implemented a court-approved solution with the Fair School Funding Plan (FSFP). This new funding strategy was initially rolled out in the prior biennium budget, HB110, for FY22 and FY23, wherein the district enjoyed some modest increases. With the new biennium budget passed in HB33, Williamsburg received almost \$798K additional state funding in FY24. This increase was crucial to the district keeping pace with inflation and maintaining its firm financial position.
- **Local Tax Growth:** After years of modest real estate value growth, the district experienced significant revenue growth in FY24 fueled by the redhot real estate market. The district sits on the 20-mill floor, so any increases in RE valuation are fully realized. The Clermont County Auditor completed a valuation update in TY23 which yielded over local real estate and PUPP increases over 8%, or almost \$310K, just on first half collections received in FY24 alone. The district should receive the full effect of those increases in FY25, barring an legislative action to moderate these RE tax spikes statewide. As long as the current value increases are uninterrupted, the District in a favorable position to offset inflation for several years.
- **Enrollment Growth:** Williamsburg Local Schools have a strong reputation in the region and consistently have a waiting list of parents wanting to educate their children in our district via open enrollment. We net approximately 100 students per year through open enrollment, which allows the District to gain additional revenue and fully absorb the cost of our staff and operational costs. This also provides flexibility for future growth, allowing the District to fill those open seats with open enrollment today and open them up to resident students in the future. This occurred at the start of FY25 as resident enrollment increased with the advent of some new build housing, and the district had to meter back open enrollment. It should be noted, at the time of this report Ryan Homes is negotiating with the Village of Williamsburg to develop a 256 home subdivision, which would result in a substantial increase in students.
- **Economic Development:** For generations Williamsburg has largely been a “bedroom community”. Real Estate taxes were mostly generated by Class I tax revenues, primarily residential. However, that changed dramatically in 2016 when the Clermont County Community Improvement Corporation purchased 242 acres of land within our district boundaries to be developed as the South Afton Industrial Park. Since then, the Park has become home to a large distribution center and a state-of-the-art manufacturing plant for Nestle-Purina Petcare (projected to be 90% complete by end of 2024). The PILOT and TIF proceeds from this development are being set-aside for use on large scale capital projects within the District. Those revenues funded a new roof on our Middle/High School, and as Purina becomes fully operational the District intends to use those PILOT revenues to fund the local share (32%, with the State OFCC funding 68%) of a new Williamsburg Elementary School, replacing our current 60-year-old building. While these funds are not being used for General Fund operational needs of the District, they are crucial to sustaining academic excellence without placing undue burden on our taxpayers.
- **Emergency Operating Levy:** In 2009 the District passed an Emergency Operating Levy generating \$996,826 annually, for a period of five years. That levy was subsequently renewed in 2013 and 2018. This levy accounts for 7.5% of the District’s overall general fund revenue. In November 2023 the District sought to replace that levy with a continuing Substitute Levy, but that levy failed. The Board subsequently decided to place another renewal of the existing Emergency Levy on the Primary Ballot in March 2024 and it

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Unaudited

overwhelmingly passed with 61.6% of the vote. The district greatly appreciates our community's generous financial support, locking in this crucial revenue stream for another five years.

- **Fiscally Responsible Leadership:** It would be remiss to not mention the impact of stable and fiscally responsible district leadership. 60% of our Board of Education members have served multiple terms, and have a strong working knowledge of the district's finances. 100% of our Board Members strongly believe in being fiscally conservative. They demand we squeeze maximum value out of every dollar provided the district, regardless of the source of that revenue. This attitude permeates throughout the district, regardless of position or station. Everyone works as a team to provide the best possible education at the lowest possible cost. As mentioned earlier, with back-to-back 4.5 STAR State Report Cards, the results speak for themselves.

All these factors have helped the District to keep pace with rampant post-pandemic inflation, and still deliver academic excellence. However, there are some challenges on the horizon that could negatively impact the District's financial position in upcoming years, including:

- **Inflation:** Post-pandemic double digit inflation on goods and services has impacted all school districts, including Williamsburg. As an organization with almost 80% of our annual expenses in staff, wage and benefit inflation can have an even bigger impact. Labor relations in our district have been amicable with all parties working for the best interest of students and realizing the resource challenges we face. We believe that as we move forward our positive working relationship will continue and will only grow stronger. These relationships will be tested in spring of 2025 as we negotiate new CBA's with both our Certified and Classified unions. The District realizes the importance of offering competitive wages to attract and retain talented staff, but of course that must be balanced within the constraints of our budget resources. Aside from those negotiations the District must also contend with benefit inflation, especially for our healthcare coverage. The School District is a member of Clermont County Insurance Consortium (CCIC), which is part of a larger consortium, EPC. This consortium helps us to mitigate benefit inflation, typically well below market average. Even with this group's buying power the district has incurred 6.5% rate inflation in CY2024 and projects additional 8% inflation year-over-year in upcoming years. The District will need revenue growth and/or cost reductions to keep pace with these inflationary factors.
- **FY26-27 State Biennial Budget:** While the current Ohio biennial budget, HB33, continued the phase-in of the Fair School Funding Plan it is not guaranteed beyond FY25. State tax revenues have been very strong in recent years but began to taper off in CY2024, giving state legislators pause as they begin early deliberations on the next biennial budget. Education pundits are urging state legislators to honor their commitment for a full phase-in of the FSFP in the next state biennial budget, but many legislative and DEW leaders alike are warning that any increases will likely be modest at best. An economic downturn, of any nature, could cause state legislators to pump the brakes even further.
- **Risk of Real Estate Tax Reform:** Not only is there risk involving state revenues, there's risk of state intervention impacting local revenue sources as well. With the rapid rise of real estate values in recent years and subsequent spike in real estate taxes, the Ohio General Assembly is considering multiple proposals to curb the impact on Ohio homeowners. The Property Tax Review Study Commission, made up of state senators and representatives, is working on recommendations to address increasing property taxes. Any significant change in real estate taxation would not only impact local RE tax revenues, but it would likely also impact the Fair School Funding Plan formula's local capacity component. The Ohio General Assembly must take all these factors into consideration before enacting any reforms.

While these obstacles are significant, the Board, Administrators, Teachers, and Support Staff of Williamsburg Local School District welcome the challenge. We are committed to finding fresh and creative ways to maximize the value of every penny of revenue we receive and deliver a best-in-class education so our graduates are fully equipped to enter post-secondary education or the workforce.

Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

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 questions about this report or need additional financial information contact Greg Wells, Treasurer, at Williamsburg Local School District, 549-A West Main Street, Williamsburg, Ohio 45176, or email at wells_g@burgschools.org.

Williamsburg Local School District
Statement of Net Position
June 30, 2024

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$29,153,855
Accrued Interest Receivable	12,189
Accounts Receivable	27,117
Intergovernmental Receivable	12,464,366
Property Taxes Receivable	4,585,298
Net OPEB Asset	758,977
Nondepreciable Capital Assets	830,100
Depreciable Capital Assets, Net	13,680,497
<i>Total Assets</i>	61,512,399
Deferred Outflows of Resources	
Pension	2,870,985
OPEB	716,983
<i>Total Deferred Outflows of Resources</i>	3,587,968
Liabilities	
Accounts Payable	92,376
Accrued Wages and Benefits	1,068,405
Intergovernmental Payable	251,387
Accrued Interest Payable	189,168
Long-Term Liabilities:	
Due Within One Year	260,857
Due in More Than One Year	22,978,255
Net Pension Liability	11,234,298
Net OPEB Liability	865,291
<i>Total Liabilities</i>	36,940,037
Deferred Inflows of Resources	
Property Taxes Not Levied to Finance Current Year Operations	2,787,572
Pension	861,222
OPEB	1,364,839
<i>Total Deferred Inflows of Resources</i>	5,013,633
Net Position	
Net Investment in Capital Assets	11,848,495
Restricted For:	
Capital Outlay	14,331,716
Other Purposes	412,178
Net OPEB Asset	257,691
Unrestricted (Deficit)	(3,703,383)
<i>Total Net Position</i>	\$23,146,697

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2024

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	Governmental Activities
Governmental Activities					
Instruction					
Regular	\$5,816,661	\$183,544	\$888,599	\$0	(\$4,744,518)
Special	2,196,862	55,009	1,099,056	0	(1,042,797)
Vocational	19,363	5,000	4,486	0	(9,877)
Support Services					
Pupils	641,502	0	471,813	0	(169,689)
Instructional Staff	301,517	0	108,471	0	(193,046)
Board of Education	44,700	0	1,470	0	(43,230)
Administration	1,002,587	0	0	0	(1,002,587)
Fiscal	416,268	0	0	0	(416,268)
Business	2,199	0	0	0	(2,199)
Operation and Maintenance of Plant	1,488,097	4,420	285,243	960,385	(238,049)
Pupil Transportation	676,893	0	76,985	0	(599,908)
Central	233,833	36,000	0	0	(197,833)
Operation of Non-Instructional Services	227,630	214,308	5,843	0	(7,479)
Extracurricular Activities	805,939	359,482	145,348	0	(301,109)
Debt Service:					
Interest	218,821	0	0	0	(218,821)
Issuance Costs	348,990	0	0	0	(348,990)
<i>Total Governmental Activities</i>	<u>\$14,441,862</u>	<u>\$857,763</u>	<u>\$3,087,314</u>	<u>\$960,385</u>	<u>(9,536,400)</u>
General Revenues					
Property Taxes Levied for General Purposes					4,450,015
Payments in Lieu of Taxes					778,799
Grants and Entitlements not Restricted to Specific Programs					6,728,206
Grants and Entitlements Restricted to Construction Programs					12,395,162
Investment Earnings					423,517
Miscellaneous					312,513
<i>Total General Revenues</i>					<u>25,088,212</u>
<i>Change in Net Position</i>					<u>15,551,812</u>
<i>Net Position Beginning of Year</i>					<u>7,594,885</u>
<i>Net Position End of Year</i>					<u>\$23,146,697</u>

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Locally Funded Initiative Fund	OFCC Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$4,764,402	\$15,044,220	\$5,892,334	\$3,452,899	\$29,153,855
Accrued Interest Receivable	12,189	0	0	0	12,189
Accounts Receivable	0	0	0	27,117	27,117
Interfund Receivable	46,844	0	0	0	46,844
Intergovernmental Receivable	250	0	12,395,162	68,954	12,464,366
Property Taxes Receivable	4,585,298	0	0	0	4,585,298
<i>Total Assets</i>	<i>\$9,408,983</i>	<i>\$15,044,220</i>	<i>\$18,287,496</i>	<i>\$3,548,970</i>	<i>\$46,289,669</i>
Liabilities					
Accounts Payable	\$59,997	\$0	\$0	\$32,379	\$92,376
Accrued Wages and Benefits	976,402	0	0	92,003	1,068,405
Interfund Payable	0	0	0	46,844	46,844
Intergovernmental Payable	176,314	0	0	75,073	251,387
<i>Total Liabilities</i>	<i>1,212,713</i>	<i>0</i>	<i>0</i>	<i>246,299</i>	<i>1,459,012</i>
Deferred Inflows of Resources					
Property Taxes not Levied to Finance Current Year Operations	2,787,572	0	0	0	2,787,572
Unavailable Revenue:					
Property Taxes	55,377	0	0	0	55,377
Grants	0	0	12,395,162	61,482	12,456,644
Charges for Services	0	0	0	14,863	14,863
<i>Total Unavailable Revenue</i>	<i>55,377</i>	<i>0</i>	<i>12,395,162</i>	<i>76,345</i>	<i>12,526,884</i>
<i>Total Deferred Inflows of Resources</i>	<i>2,842,949</i>	<i>0</i>	<i>12,395,162</i>	<i>76,345</i>	<i>15,314,456</i>
Fund Balances					
Restricted	0	15,044,220	5,892,334	402,879	21,339,433
Committed	221,198	0	0	2,949,943	3,171,141
Assigned	83,034	0	0	0	83,034
Unassigned (Deficit)	5,049,089	0	0	(126,496)	4,922,593
<i>Total Fund Balances</i>	<i>5,353,321</i>	<i>15,044,220</i>	<i>5,892,334</i>	<i>3,226,326</i>	<i>29,516,201</i>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<i>\$9,408,983</i>	<i>\$15,044,220</i>	<i>\$18,287,496</i>	<i>\$3,548,970</i>	<i>\$46,289,669</i>

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2024

Total Governmental Fund Balances	\$29,516,201
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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.	14,510,597
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Some of the School District's revenues will be collected after fiscal year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Property taxes	55,377	
Intergovernmental	12,456,644	
Charges for Services	14,863	12,526,884

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

Deferred outflows-pension	2,870,985	
Deferred outflows-OPEB	716,983	
Deferred inflows-pension	(861,222)	
Deferred inflows-OPEB	(1,364,839)	
Net pension liability	(11,234,298)	
Net OPEB asset	758,977	
Net OPEB liability	(865,291)	(9,978,705)

In the statement of activities, interest is accrued on outstanding bonds and financed purchase agreements, whereas in governmental funds, as interest expenditure is reported when due.	(189,168)
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Financed purchase agreement	(1,330,000)	
Certificates of participation	(19,000,000)	
Premiums on certificates of participation	(1,277,786)	
Lease payable	(54,316)	
Compensated absences	(1,577,010)	(23,239,112)

Net Position of Governmental Activities	\$23,146,697
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See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General Fund	Locally Funded Initiative Fund	OFCC Construction Fund	(Formerly Major) ESSER Fund	(Formerly Major) Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Property Taxes	\$4,445,298	\$0	\$0	\$0	\$0	\$0	\$4,445,298
Intergovernmental	7,664,533	0	0	0	0	2,263,340	9,927,873
Interest	342,704	149,562	59,316	0	0	9,323	560,905
Change in Fair Value	21,497	0	0	0	0	0	21,497
Tuition and Fees	238,553	0	0	0	0	0	238,553
Rent	4,420	0	0	0	0	0	4,420
Extracurricular Activities	9,739	0	0	0	0	337,935	347,674
Gifts and Donations	11,191	800,000	0	0	0	134,657	945,848
Customer Sales and Services	36,000	0	0	0	0	216,253	252,253
Payments in Lieu of Taxes	778,799	0	0	0	0	0	778,799
Miscellaneous	304,556	0	0	0	0	7,957	312,513
<i>Total Revenues</i>	<i>13,857,290</i>	<i>949,562</i>	<i>59,316</i>	<i>0</i>	<i>0</i>	<i>2,969,465</i>	<i>17,835,633</i>
Expenditures							
Current							
Instruction							
Regular	4,917,592	0	0	0	0	603,925	5,521,517
Special	1,795,346	0	0	0	0	405,548	2,200,894
Vocational	14,928	0	0	0	0	4,504	19,432
Support Services							
Pupils	282,565	0	0	0	0	350,655	633,220
Instructional Staff	144,492	0	0	0	0	136,157	280,649
Board of Education	43,484	0	0	0	0	1,470	44,954
Administration	1,006,973	0	0	0	0	0	1,006,973
Fiscal	416,544	0	0	0	0	0	416,544
Business	2,199	0	0	0	0	0	2,199
Operation and Maintenance of Plant	1,077,808	1,120	0	0	0	318,974	1,397,902
Pupil Transportation	642,634	0	0	0	0	77,724	720,358
Central	235,934	0	0	0	0	0	235,934
Operation of Non-Instructional Services	9,026	0	0	0	0	219,919	228,945
Extracurricular Activities	49,853	0	0	0	0	694,802	744,655
Capital Outlay	116,651	0	0	0	0	994,257	1,110,908
Debt Service							
Principal	55,463	0	0	0	0	300,000	355,463
Interest	7,064	0	0	0	0	30,476	37,540
Issuance Costs	0	348,990	0	0	0	0	348,990
<i>Total Expenditures</i>	<i>10,818,556</i>	<i>350,110</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>4,138,411</i>	<i>15,307,077</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>3,038,734</i>	<i>599,452</i>	<i>59,316</i>	<i>0</i>	<i>0</i>	<i>(1,168,946)</i>	<i>2,528,556</i>
Other Financing Sources (Uses)							
Transfers In	0	0	0	0	0	2,941,460	2,941,460
Certificates of Participation Issued	0	13,166,982	5,833,018	0	0	0	19,000,000
Premiums on Certificates of Participation Issued	0	1,277,786	0	0	0	0	1,277,786
Transfers Out	(2,941,460)	0	0	0	0	0	(2,941,460)
<i>Total Other Financing Sources (Uses)</i>	<i>(2,941,460)</i>	<i>14,444,768</i>	<i>5,833,018</i>	<i>0</i>	<i>0</i>	<i>2,941,460</i>	<i>20,277,786</i>
<i>Net Change in Fund Balances</i>	<i>97,274</i>	<i>15,044,220</i>	<i>5,892,334</i>	<i>0</i>	<i>0</i>	<i>1,772,514</i>	<i>22,806,342</i>
<i>Fund Balances (Deficits) Beginning of Year as Previously Reported</i>	<i>5,256,047</i>	<i>0</i>	<i>0</i>	<i>(249,062)</i>	<i>1,340,535</i>	<i>362,339</i>	<i>6,709,859</i>
<i>Adjustments for Change in Major Fund</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>249,062</i>	<i>(1,340,535)</i>	<i>1,091,473</i>	<i>0</i>
<i>Fund Balances End of Year</i>	<i>\$5,353,321</i>	<i>\$15,044,220</i>	<i>\$5,892,334</i>	<i>\$0</i>	<i>\$0</i>	<i>\$3,226,326</i>	<i>\$29,516,201</i>

See the accompanying notes to the basic financial statements.

Williamsburg 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		\$22,806,342
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense. In the current period, these amounts are:

Capital asset additions	1,227,279	
Depreciation/Amortization expense	<u>(812,283)</u>	414,996

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.

Delinquent property taxes	4,717	
Intergovernmental	12,138,461	
Charges for Services	<u>14,863</u>	12,158,041

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

Pension	1,079,763	
OPEB	<u>36,440</u>	1,116,203

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

Pension	(1,052,098)	
OPEB	<u>82,383</u>	(969,715)

Governmental funds report premiums as expenditures, whereas these amounts are deferred and amortized in the statement of net position.

Amortization of bond premium		4,963
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Certificates of participation are other financing sources in the governmental funds but the issuance increases the long-term liabilities on the statement of net position.

Certificates of participation	(19,000,000)	
Premiums on certificates of participation	<u>(1,277,786)</u>	(20,277,786)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current fiscal year, these amounts consist of:

Principal retirement		355,463
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In the statement of activities, interest accrued on outstanding bonds and the loss on refunding are amortized over the terms of the bonds, whereas in the governmental funds, the expenditure is reported when the bonds are issued:

Increase in accrued interest		(186,244)
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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:

Decrease in compensated absences		<u>129,549</u>
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Change in Net Position of Governmental Activities		<u><u>\$15,551,812</u></u>
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See the accompanying notes to the basic financial statements.

Williamsburg 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	
Revenues				
Property Taxes	\$4,145,442	\$4,132,612	\$4,132,612	\$0
Intergovernmental	7,487,056	7,667,788	7,667,788	0
Interest	295,212	305,391	333,435	28,044
Tuition and Fees	268,161	149,933	149,933	0
Rent	10,000	4,420	4,420	0
Customer Sales and Services	28,800	36,000	36,000	0
Payments in Lieu of Taxes	509,000	778,799	778,799	0
Miscellaneous	161,388	259,806	259,806	0
<i>Total Revenues</i>	<i>12,905,059</i>	<i>13,334,749</i>	<i>13,362,793</i>	<i>28,044</i>
Expenditures				
Current				
Instruction				
Regular	3,948,603	4,827,342	4,827,342	0
Special	1,413,465	1,705,998	1,705,998	0
Vocational	14,952	14,928	14,928	0
Support Services				
Pupils	236,307	266,452	266,452	0
Instructional Staff	117,930	120,252	120,252	0
Board of Education	49,166	48,049	48,049	0
Administration	888,190	1,001,679	1,001,679	0
Fiscal	372,756	420,655	420,655	0
Business	1,851	2,199	2,199	0
Operation and Maintenance of Plant	1,109,643	1,095,839	1,095,839	0
Pupil Transportation	623,083	642,077	642,077	0
Central	230,257	237,951	237,951	0
Operation of Non-Instructional Services	10,137	5,539	5,539	0
Extracurricular Activities	1,366	1,397	1,397	0
Capital Outlay	56,445	116,651	116,651	0
Debt Service				
Principal	0	55,463	55,463	0
Interest	135	7,064	7,064	0
<i>Total Expenditures</i>	<i>9,074,286</i>	<i>10,569,535</i>	<i>10,569,535</i>	<i>0</i>
<i>Excess of Revenues Over Expenditures</i>	<i>3,830,773</i>	<i>2,765,214</i>	<i>2,793,258</i>	<i>28,044</i>
Other Financing Sources (Uses)				
Transfers In	251,132	461,777	461,777	0
Advances In	790,277	790,277	790,277	0
Proceeds from Sale of Capital Assets	4,100	0	0	0
Insurance Recoveries	60,000	0	0	0
Transfers Out	(3,505,719)	(3,505,719)	(3,505,719)	0
<i>Total Other Financing Sources (Uses)</i>	<i>(2,400,210)</i>	<i>(2,253,665)</i>	<i>(2,253,665)</i>	<i>0</i>
<i>Net Change in Fund Balance</i>	<i>1,430,563</i>	<i>511,549</i>	<i>539,593</i>	<i>28,044</i>
<i>Fund Balances Beginning of Year</i>	<i>3,742,492</i>	<i>3,742,492</i>	<i>3,742,492</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>152,682</i>	<i>152,682</i>	<i>152,682</i>	<i>0</i>
<i>Fund Balances End of Year</i>	<i>\$5,325,737</i>	<i>\$4,406,723</i>	<i>\$4,434,767</i>	<i>\$28,044</i>

See the accompanying notes to the basic financial statements.

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Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1 – Description of the District and Reporting Entity

Williamsburg 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 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 federal guidelines.

The School District was established in 1922. The School District serves an area of approximately 41 square miles. It is located in Clermont County and includes all of the Village of Williamsburg and portions of Williamsburg and Jackson Townships. The Board of Education controls the School District's two instructional support facilities staffed by 50 non-certified, 58 teaching personnel and 8 administrative employees providing education to 930 students.

Reporting Entity

The reporting entity is comprised 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 Williamsburg Local School District, this includes general operations, food services, 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 participates in two jointly governed organizations and two insurance purchasing pools. These organizations are discussed in notes 14 and 15 of the basic financial statements. These organizations are:

Jointly Governed Organizations:

Hamilton Clermont Cooperative Information Technology Center
U.S. Grant Joint Vocational School

Insurance Purchasing Pools:

Clermont County Insurance Consortium
Ohio SchoolComp Workers' Compensation Group Rating Plan

Note 2 – Summary of Significant Accounting Policies

The financial statements of Williamsburg Local 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.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Basis of Presentation

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

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The government-wide statements usually distinguish between those activities that are governmental and those that are considered business-type activities. The School District, however, has no activities which are reported as 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 into 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 reporting 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. Fiduciary funds are reported by type, however, the School District has no fiduciary funds.

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. All funds of the School District fall within one category: governmental.

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 are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred outflows of resources is reported as fund balance.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

The following are the School District's major governmental funds:

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

Locally Funded Initiative Fund – The locally funded initiative fund is a fund used to account for the receipts and expenditures related to all special bond funds in the district. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

OFCC Construction Fund - The OFCC construction fund is a fund provided to account for monies received and expended in connection with contracts entered into by the school district and the Ohio School Facilities Commission for the building and equipping of classroom facilities.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that has certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The School District has no fiduciary funds.

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities, and 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.

Basis of Accounting

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

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

accrual bases of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows of resources, in the presentation of expenses versus expenditures, and the recording of net pension/OPEB liabilities (assets).

Revenue – 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. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible 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 60 days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see note 5.) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the 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. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position and balance sheet 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 other post-employment benefits. These items are further explained in notes 9 and 10.

In addition to liabilities, the statement of net position and balance sheet 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 included property taxes, pension, other post-employment benefits, and unavailable revenue. Property taxes for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources on the statement of net position and governmental fund balance sheet. Unavailable revenue is reported only on the governmental fund balance sheet and represents grants and entitlements and other resources not received within the available period and delinquent property taxes due at June 30, 2024. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position and are further explained in notes 9 and 10.

Expenses/Expenditures

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Cash and Investments

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

During fiscal year 2024, the School District invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), money market funds, negotiable certificates of deposit, U.S. Treasury obligations, and U.S. government agency securities. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. The School District’s money market funds are recorded at amounts reported by the respective financial institutions at June 30, 2024.

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

For fiscal year 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. Twenty-four hours advanced notice is appreciated for deposits and redemptions of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$250 million per day. All accounts of the participant will be combined for these purposes.

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 \$342,704, \$149,562 in the locally funded initiative fund, \$59,316 in the OFCC construction fund, and \$9,323 in the nonmajor governmental funds. The School District also recognized an increase in the fair value of investments of \$21,497 in the general fund.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as “equity in pooled cash and investments”.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments, or imposed by law through constitutional provisions. The School District did not have restricted assets to report as of June 30, 2024.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed. The School District had no significant prepaid items to report as of June 30, 2024.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. General capital assets usually 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.

Capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of \$2,500. 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.

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	5-20 years
Buildings and Improvements	25-80 years
Furniture, Fixtures and Equipment	5-20 years
Vehicles	8 years

Amortization of intangible right to use leased assets is computed using the straight-line method over the shorter of the lease term or the useful life of the underlying asset.

Accrued Liabilities and Long-Term Obligations

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

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

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the 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 all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

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

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the amount “matured compensated absences payable” in the termination benefits fund, which is presented as part of the general fund for GAAP reporting purposes. The noncurrent portion of the liability is not reported. The School District reported no matured compensated absences payable at June 30, 2024.

Certificates of Participation Premiums/Issuance Costs

In the government-wide financial statements, certificate of participation premiums are deferred and amortized over the term of the certificates of participation using the straight-line method since the results are not significantly different from the effective interest method.

On the governmental fund financial statements, certificates of participation premiums and issuance costs are recognized in the period when the debt is issued.

Net Position

Net position represents the difference between assets plus deferred outflows or resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for food service, music and athletic programs, and federal and state grants restricted to expenditures for specified purposes. The School District has no net position that is restricted by enabling legislation.

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

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 the 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” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

Committed – This fund balance classification includes amounts that can be used only for the specific purposes imposed 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 use in satisfying those contractual requirements.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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. In the general fund, assigned amounts would represent intended uses established by the School District’s Board of Education.

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

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 amounts in any of the unrestricted fund balance classifications could be used.

Internal Activity

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

Transfers within the 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.

Short term interfund loans are classified as “interfund receivables” and “interfund payables”. These amounts are eliminated in the governmental activities column of the statement of net position.

Estimates

The preparation of the 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.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The School District did not have any extraordinary items to report for the fiscal year.

Budgetary Process

The budgetary process is prescribed by the provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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 sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund/special cost center level for the general fund and at the fund level for all other funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund/special cost center.

The Clermont County Budget Commission has waived the requirement that school districts adopt and submit a tax budget. In lieu of the tax budget, school districts are required to submit bond fund balances.

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 statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as final budgeted amounts reflect the amounts in the amended certificate that was in effect at the time the final appropriations were passed by the Board of Education.

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 in the budgetary statements reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year, including all supplemental appropriations.

Pensions/OPEB

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

Note 3 – Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget and actual - (budget basis) for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and 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 are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a restriction, commitment, or assignment of fund balance (GAAP basis).
4. Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the neediest kids, uniform school supplies, pre-school, centre, public school support, and termination benefits funds. These funds were excluded from the budgetary presentation for the general fund.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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

Net Change in Fund Balance	
	General
GAAP Basis	\$97,274
Revenue Accruals	911,857
Expenditure Accruals	(322,386)
Encumbrances	(67,944)
(Excess) Deficit of Funds Combined with General Fund for Reporting Purposes	(79,208)
Budget Basis	<u>\$539,593</u>

Note 4 – Deposits and Investments

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

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active 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 five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts, including, but not limited to, passbook accounts.

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2024, the School District's bank balance of \$644,425 was either covered by FDIC or collateralized by the financial institution's public entity deposit pool in the manner described below.

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

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

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

Investments

As of June 30, 2024, the School District had the following investments, which are in an internal investment pool:

	Fair Value	Credit Rating	Maturity	Percent of Total Investments
STAR Ohio	\$25,903,245	AAAm	Less than one year	90.65%
First American Government Obligation				
Money Market Fund	937,740	AAAm	Less than one year	3.28%
Federal National Mortgage Assn.	97,276	AA+	One to two years	0.34%
Federal Farm Credit Bank	100,237	AA+	Three to five years	0.35%
Federal Home Loan Mortgage Corp.	65,807	AA+	One to two years	0.23%
Federal Home Loan Bank	99,924	AA+	Less than one year	0.35%
Federal Home Loan Bank	196,125	AA+	One to two years	0.69%
Federal Home Loan Bank	189,374	AA+	Three to five years	0.66%
U.S. Treasury Notes	507,793	AA+	Three to five years	1.78%
Negotiable Certificates of Deposit	477,624	N/A	Less than one year	1.67%
Total Investments	<u>\$28,575,145</u>			<u>100.00%</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 table identifies the School

Williamsburg Local School District
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District's recurring fair value measurement as of June 30, 2024. As previously discussed, STAR Ohio is reported at its net asset value. All other investments of the School District are valued using quoted market prices (Level 1 inputs).

Interest Rate Risk – The School District has no investment policy that addresses interest rate risk beyond the requirements of state statute. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk – The School District has no investment policy that addresses credit risk.

Custodial Credit Risk – 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. All of the School District's securities are either insured and registered in the name of the School District or at least registered in the name of the School District. The School District has no investment policy dealing with investment custodial credit risk beyond the requirements in state statute that prohibit payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk – The School District places no limit on the amount it may invest in any one issuer. However, the School District does diversify for protection of assets in a responsible manner.

Note 5 – Property Taxes

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

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the School District. Real property tax revenues received in calendar year 2024 represent the collection of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2023, on the assessed values as of January 1, 2023, the lien date. Assessed values for real property taxes are established by state statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, state statute permits alternate payment dates to be established.

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

The School District receives property taxes from Clermont and Brown Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2024, are available to finance fiscal year 2024 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2024, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

Williamsburg Local School District
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On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

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

	2023 Second-Half Collections		2024 First-Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$142,940,510	94.45%	\$173,152,070	93.43%
Public Utility Personal	8,399,560	5.55%	12,173,540	6.57%
Total Assessed Value	\$151,340,070	100.00%	\$185,325,610	100.00%
Tax rate per \$1,000 of assessed value	\$44.08		\$42.85	

Note 6 - Receivables

Receivables at June 30, 2024, consisted of accrued interest, accounts, intergovernmental, interfund, and property taxes. All receivable amounts, except delinquent property taxes, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. The intergovernmental receivables are as follows:

<i>Major Funds:</i>	
General Fund	\$250
OFCC Construction Fund	12,395,162
<i>Nonmajor Funds:</i>	
Title VI-B	32,649
Title I	28,833
Drug Free Schools	7,472
Total Nonmajor Funds	68,954
Total All Funds	\$12,464,366

Note 7 – Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2024, the School District contracted with commercial carriers for property and fleet insurance, liability insurance and inland marine coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant changes in coverage from the prior year.

Workers' Compensation

For fiscal year 2024, the School District participated in the Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see note 15). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sedgwick, Inc. provides administrative, cost control, and actuarial services to the GRP.

Williamsburg Local School District
Notes to the Basic Financial Statements
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Employee Benefits

For fiscal year 2024, the School District participated in the Clermont County Insurance Consortium (the Consortium), a group insurance purchasing pool (see note 15), in order to provide dental, life, medical, and disability benefits to employees, their dependents and designated beneficiaries and to set aside funds for such purposes. The Directors provides insurance policies in whole or in part through one or more group insurance policies.

Note 8 – Capital Assets

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

	Balance at 6/30/23	Additions	Disposals	Balance at 6/30/24
<i>Governmental Activities</i>				
Capital Assets Not Being Depreciated/Amortized:				
Land	\$830,100	\$0	\$0	\$830,100
Construction in Progress	773,460	0	(773,460)	0
Total Capital Assets Not Being Depreciated/Amortized	1,603,560	0	(773,460)	830,100
Capital Assets Being Depreciated/Amortized:				
Land Improvements	2,834,641	1,131,802	0	3,966,443
Buildings and Improvements	17,833,719	560,678	0	18,394,397
Furniture, Fixtures, and Equipment	2,404,337	200,879	0	2,605,216
Vehicles	1,185,599	107,380	0	1,292,979
Intangible Right to Use Leased Assets*	82,150	0	0	82,150
Total Capital Assets Being Depreciated/Amortized	24,340,446	2,000,739	0	26,341,185
Less Accumulated Depreciation/Amortization				
Land Improvements	(2,086,068)	(139,994)	0	(2,226,062)
Buildings and Improvements	(7,141,260)	(482,271)	0	(7,623,531)
Furniture, Fixtures, and Equipment	(1,821,957)	(99,545)	0	(1,921,502)
Vehicles	(785,428)	(74,043)	0	(859,471)
Intangible Right to Use Leased Assets*	(13,692)	(16,430)	0	(30,122)
Total Accumulated Depreciation/Amortization	(11,848,405)	(812,283)	0	(12,660,688)
Total Capital Assets Being Depreciated/Amortized, Net	12,492,041	1,188,456	0	13,680,497
Governmental Activities Capital Assets, Net	\$14,095,601	\$1,188,456	(\$773,460)	\$14,510,597

*Of the current year depreciation/amortization total of \$812,283, \$16,430 is presented as regular instruction and administration expenses on the statement of activities related to the School District's intangible asset of copiers, which is included as an Intangible Right to Use Lease.

Williamsburg Local School District
Notes to the Basic Financial Statements
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Depreciation/Amortization was charged to the following governmental functions:

Instruction:	
Regular	\$510,615
Special	6,945
Pupils	2,478
Support Services:	
Instructional Staff	21,349
Administration	5,422
Operation and Maintenance of Plant	104,504
Pupil Transportation	74,042
Operation of Non-Instructional Services	12,059
Extracurricular Activities	74,869
Total Depreciation/Amortization Expense	<u>\$812,283</u>

Note 9 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

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

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

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

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

The remainder of this note includes the required pension disclosures. See note 10 for the required OPEB disclosures.

School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School 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 14.0 percent. For fiscal year 2024, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contributions to SERS were \$323,235 for fiscal year 2024. Of this amount, \$67,042 was reported as an intergovernmental payable.

State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, a one-time ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a one-time ad-hoc COLA of 1 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019. Pursuant to Ohio Revised Code 3307.67(E), the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

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

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

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

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

The School District's contractually required contributions to STRS were \$756,528 for fiscal year 2024. Of this amount, \$129,096 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability			
Current Measurement Date	0.05122330%	0.039024710%	
Proportion of the Net Pension Liability			
Prior Measurement Date	<u>0.04138560%</u>	<u>0.037168120%</u>	
Change in Proportionate Share	<u>0.00983770%</u>	<u>0.001856590%</u>	
Proportionate Share of the Net			
Pension Liability	\$2,830,351	\$8,403,947	\$11,234,298
Pension Expense	\$433,185	\$618,913	\$1,052,098

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Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<i>Deferred Outflows of Resources</i>			
Differences between expected and actual experience	\$121,658	\$306,390	\$428,048
Changes of assumptions	20,049	692,111	712,160
Changes in proportion and differences between School District contributions and proportionate share of contributions	428,104	222,910	651,014
School District contributions subsequent to the measurement date	<u>323,235</u>	<u>756,528</u>	<u>1,079,763</u>
Total Deferred Outflows of Resources	<u>\$893,046</u>	<u>\$1,977,939</u>	<u>\$2,870,985</u>
<i>Deferred Inflows of Resources</i>			
Differences between expected and actual experience	\$0	\$18,650	\$18,650
Changes of assumptions	0	520,960	520,960
Net difference between projected and actual earnings on pension plan investments	39,784	25,187	64,971
Changes in proportion and differences between School District contributions and proportionate share of contributions	<u>0</u>	<u>256,641</u>	<u>256,641</u>
Total Deferred Inflows of Resources	<u>\$39,784</u>	<u>\$821,438</u>	<u>\$861,222</u>

\$1,079,763 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 (gain) as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2025	\$205,913	(\$198,899)	\$7,014
2026	37,664	(302,260)	(264,596)
2027	284,339	890,472	1,174,811
2028	<u>2,111</u>	<u>10,660</u>	<u>12,771</u>
Total	<u>\$530,027</u>	<u>\$399,973</u>	<u>\$930,000</u>

Actuarial Assumptions - SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the

Williamsburg Local School District
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historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2137.

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

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

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

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

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

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

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

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

Sensitivity of the School 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	\$4,177,454	\$2,830,351	\$1,695,674

Actuarial Assumptions - STRS

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

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

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

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

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

Williamsburg Local School District
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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>100.00 %</u>	

*Final target weights reflected at October 1, 2022.

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

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

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School 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 School 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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$12,923,410	\$8,403,947	\$4,581,718

Note 10 – Defined Benefit OPEB Plans

See note 9 for a description of the net OPEB liability (asset).

School Employees Retirement System (SERS)

Health Care Plan Description - The School 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 health care benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and

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

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation 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 School District's surcharge obligation was \$36,440.

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 School District's contractually required contribution to SERS for health care was \$36,440 for fiscal year 2024. Of this amount, \$36,440 was reported as an intergovernmental payable.

State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

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

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability (Asset)			
Current Measurement Date	0.05252320%	0.039024710%	
Proportion of the Net OPEB Liability (Asset)			
Prior Measurement Date	<u>0.04249530%</u>	<u>0.037168120%</u>	
Change in Proportionate Share	<u>0.01002790%</u>	<u>0.001856590%</u>	
Proportionate Share of the Net			
OPEB Liability	\$865,291	\$0	\$865,291
Proportionate Share of the Net			
OPEB Asset	\$0	(\$758,977)	(\$758,977)
OPEB Expense (Gain)	(\$51,466)	(\$30,917)	(\$82,383)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<i>Deferred Outflows of Resources</i>			
Differences between expected and			
actual experience	\$1,802	\$1,185	\$2,987
Changes of assumptions	292,580	111,809	404,389
Net difference between projected and			
actual earnings on pension plan investments	6,707	1,353	8,060
Changes in proportionate share and difference			
between School District contributions and			
proportionate share of contributions	253,587	11,520	265,107
School District contributions subsequent to the			
measurement date	<u>36,440</u>	<u>0</u>	<u>36,440</u>
Total Deferred Outflows of Resources	<u>\$591,116</u>	<u>\$125,867</u>	<u>\$716,983</u>
<i>Deferred Inflows of Resources</i>			
Differences between expected and			
actual experience	\$446,262	\$115,758	\$562,020
Changes of assumptions	245,752	500,760	746,512
Changes in proportionate share and difference			
between School District contributions and			
proportionate share of contributions	<u>45,672</u>	<u>10,635</u>	<u>56,307</u>
Total Deferred Inflows of Resources	<u>\$737,686</u>	<u>\$627,153</u>	<u>\$1,364,839</u>

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\$36,440 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or increase in the net OPEB asset in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (gain) as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2025	(\$121,351)	(\$214,091)	(\$335,442)
2026	(97,862)	(102,919)	(200,781)
2027	(47,989)	(40,744)	(88,733)
2028	(15,678)	(54,189)	(69,867)
2029	1,655	(49,704)	(48,049)
Thereafter	<u>98,215</u>	<u>(39,639)</u>	<u>58,576</u>
Total	<u>(\$183,010)</u>	<u>(\$501,286)</u>	<u>(\$684,296)</u>

Actuarial Assumptions - SERS

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

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

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

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

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

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Prior Measurement Date	4.08 percent
Health Care Cost Trend Rate	
Medical Trend Assumption:	
Measurement Date	6.75 percent to 4.40 percent
Prior Measurement Date	7.00 percent to 4.40 percent

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

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020 and was adopted by the Board on April 15, 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2023:

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

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

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Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022, and the June 30, 2023, total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate was 3.86 percent at June 30, 2023, and 3.69 percent at June 30, 2022.

Sensitivity of the School 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%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
School District's proportionate share of the net OPEB liability	\$1,106,089	\$865,291	\$675,412
	1% Decrease (5.75% decreasing to 3.40%)	Current Trend Rate (6.75% decreasing to 4.40%)	1% Increase (7.75% decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$635,699	\$865,291	\$1,169,531

Actuarial Assumptions – STRS

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

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

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

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

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

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

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>100.00 %</u>	

*Final target weights reflected at October 1, 2022.

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net OPEB asset	(\$642,374)	(\$758,977)	(\$860,525)

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	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	(\$865,237)	(\$758,977)	(\$630,988)

Note 11 – Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Eligible classified employees earn 10 to 20 days of vacation per fiscal year, depending upon length of service. Teachers do not earn vacation time. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

Teachers, administrators, and non-certified 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 230 days for all employees. For non-certified employees, upon retirement, payment is made for 25 percent of accrued, but unused sick leave credit to a maximum of 62.5 days. If certified employees do not elect retirement in their first year of eligibility, payment is made for 25 percent (one payment) or 35 percent (two payments) of accrued, but unused sick leave credit to a maximum of 75 and 105 days, respectively.

Note 12 – Long-Term Obligations

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

	Amount Outstanding 6/30/23	Additions	Deductions	Amount Outstanding 6/30/24	Amounts Due Within One Year
<i>Governmental Activities</i>					
2012 Energy Conservation Bonds – 1.150%-2.750%	\$165,000	\$0	(\$165,000)	\$0	\$0
Premium on Debt Issue	4,963	0	(4,943)	0	0
Total Long-Term Bonds	169,963	0	(169,963)	0	0
2021 Financed Purchase Agreement	1,505,000	0	(175,000)	1,330,000	180,000
2024 Certificates of Participation	0	19,000,000	0	19,000,000	5,000
Premium on Certificates of Participation	0	1,277,786	0	1,277,786	0
Total Certificates of Participation	0	20,277,786	0	20,277,786	5,000
2023 Lease Payable	69,779	0	(15,463)	54,316	16,236
Compensated Absences	1,706,559	267,241	(396,790)	1,577,010	59,621
Net Pension Liability	10,500,975	733,323	0	11,234,298	0
Net OPEB Liability	596,638	268,653	0	865,291	0
Total Governmental Activities Long-Term Obligations	\$14,548,914	21,547,003	(\$757,216)	\$35,338,701	\$260,857

Energy Conservation Bonds – In March 2012, the School District received \$544,869 in loan proceeds, which included \$19,869 in premiums, for an energy efficiency project. The bonds carry coupon rates between 1.15 percent and 2.75 percent for a 15-year period with the final payment due in fiscal year 2027. The bonds were repaid from the general fund. The School District paid this bond in full during the fiscal year.

Certificates of Participation (COPs) – In April 2024, the School District issued \$19,000,000 in certificates of participation (COPs), for the purpose of an elementary school improvement project. The COPs were issued through

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a series of agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. The COPs have been designated to be “qualified tax exempt obligations” within the meaning of 26 U.S.C. 265 (b)(3) of the Internal Revenue Service Code.

In accordance with the terms, the project assets are leased to PS&W Holding Company, Inc., and then subleased back to the School District. The COPs contain provisions that in an event of default, (1) the School District will promptly return possession of the personal property or allow the lessor to remove any or all of the property, at the fiscal agent’s option; or (2) the lessor can sublease the project for the account of the lessee; or (3) the total remaining lease payments will be paid immediately.

The COPs were issued through a series of annual leases with an initial term of one year which includes the right to renew for thirty successive one-year terms through July 1, 2053, subject to annual appropriations. To satisfy the trustee requirements, the School District is required to make annual base rent payments, subject to the finance purchase terms and appropriations, semi-annually. The base rent includes an interest component of 5.25 percent. Upon 90 days of written notice from the School District, the School District has the option to purchase the Project Facilities on any date by paying the Trustee the amount necessary to defease the indenture.

Optional Prepayment - The Certificates maturing on or after December 15, 2033 are subject to prepayment, in whole, or in part, prior to stated maturity, on any Payment Date on and after December 15, 2032 at a prepayment price equal to 100% of the principal amount redeemed plus accrued interest to the date fixed for redemption.

Mandatory Prepayment - The Certificates maturing on December 15, 2036 are subject to mandatory prepayment at a prepayment price of 100% of the principal amount to be prepaid plus accrued interest to the date of prepayment on December 15, in the years and in the respective principal amounts as follows:

Prepayment Dates (December 15)	Principal Amount Subject to Mandatory Prepayment
2032	\$115,000
2023	120,000
2034	130,000
2035	135,000
2036	145,000

The Certificates maturing on December 15, 2043 are subject to mandatory prepayment at a prepayment price of 100% of the principal amount to be prepaid plus accrued interest to the date of prepayment on December 15, in the years and in the respective principal amounts as follows:

Prepayment Dates (December 15)	Principal Amount Subject to Mandatory Prepayment
2040	\$280,000
2041	295,000
2042	310,000
2043	680,000

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The Certificates maturing on December 15, 2049 are subject to mandatory prepayment at a prepayment price of 100% of the principal amount to be prepaid plus accrued interest to the date of prepayment on December 15, in the years and in the respective principal amounts as follows:

Prepayment Dates (December 15)	Principal Amount Subject to Mandatory Prepayment
2045	\$1,275,000
2046	1,345,000
2047	1,490,000
2048	1,570,000
2049	1,655,000

The Certificates maturing on December 15, 2053 are subject to mandatory prepayment at a prepayment price of 100% of the principal amount to be prepaid plus accrued interest to the date of prepayment on December 15, in the years and in the respective principal amounts as follows:

Prepayment Dates (December 15)	Principal Amount Subject to Mandatory Prepayment
2050	\$1,740,000
2051	1,830,000
2052	1,925,000
2053	2,030,000

Financed Purchase – In June 2021, the School District entered into a financed purchase agreement for the purpose of improvements to School District facilities, including acquisition and installation of a new roof for the high school building. This agreement was entered into for an amount up to \$1,845,000 and carries a 2.15% interest rate and a final maturity date of December 1, 2030. This lease-purchase agreement is a general obligation of the School District. This agreement met the criteria of a financed purchase which is defined as a financed purchase which transfers ownership to the lessee. Financed purchase payments are reflected as debt expenditures in the fund financial statements. Principal payments made during the fiscal year totaled \$175,000 and were made from the permanent improvement fund.

Compensated absences will be paid from the termination benefits fund, which has been presented as part of the general fund for GAAP reporting purposes. The School District pays obligations related to employee compensation from the fund benefitting from their service.

The School District's overall legal debt margin was \$16,679,305 with an unvoted debt margin of \$185,326 at June 30, 2024.

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

Fiscal Year Ending June 30	Certificates of Participation		Financed Purchase Agreement	
	Principal	Interest	Principal	Interest
2025	\$5,000	\$1,133,179	\$180,000	\$26,660
2026	5,000	992,300	180,000	22,790
2027	5,000	992,050	185,000	18,866
2028	5,000	991,800	190,000	14,835
2029	5,000	991,550	195,000	10,696
2030-2034	355,000	4,929,169	400,000	8,600
2035-2039	715,000	4,775,762	0	0
2040-2044	1,830,000	4,489,509	0	0
2045-2049	6,895,000	3,361,762	0	0
2050-2054	9,180,000	1,253,963	0	0
Total	\$19,000,000	\$23,911,044	\$1,330,000	\$102,447

Lease Payable – In May 2022, the School District entered into a lease agreement for the purchase of copiers. This agreement was entered into for the amount of \$82,150 and carries a 5% interest rate. This lease meets the criteria of a lease thus requiring it to be recorded by the School District. A summary of the principal and interest amounts for the remaining lease is as follows:

Fiscal Year Ending June 30	Principal	Interest
2025	\$16,236	\$2,716
2026	17,048	1,904
2027	17,900	1,052
2028	3,132	27
Total	\$54,316	\$5,699

Note 13 – Set-Aside Calculations

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

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

	Capital Acquisitions
Set-Aside Balance as of June 30, 2023	\$0
Current Fiscal Year Set-Aside Requirement	210,645
Qualifying Offsets	(210,645)
Totals	\$0
Set-Aside Balance Carried Forward to Future Fiscal Years	\$0
Set-Aside Balance as of June 30, 2024	\$0

Amounts of offsets presented in the table for the capital acquisition set-asides were limited to those necessary to reduce the year-end balance to zero. Although the School District may have had additional offsets and qualifying

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

expenditures for capital acquisitions, these amounts may not be used to reduce the set-aside requirements of future fiscal years and therefore is not presented as being carried forward to the next fiscal year.

Note 14 – Jointly Governed Organizations

Hamilton Clermont Cooperative Information Technology Center

The School District is a participant in a two-county consortium of school districts to operate the Hamilton Clermont Cooperative Information Technology Center (HCC). HCC is an association of public districts in a geographic area determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The Board of HCC consists of one representative from each of the participating members. The School District paid \$100,043 for services provided during the fiscal year. Complete financial statements for HCC can be obtained from David Downs, Executive Director, at their administrative offices at 1007 Cottonwood Drive, Loveland, Ohio 45140.

U.S. Grant Joint Vocational School

The U.S. Grant Joint Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the four participating school districts' elected boards with an additional representative rotated among the four schools. The Vocational School possesses its own budgeting and taxing authority. To obtain financial information write to the U.S. Grant Joint Vocational School, Kelly Sininger, who serves as Treasurer, at 718 West Plane Street, Bethel, Ohio 45106.

Note 15 – Insurance Purchasing Pools

Clermont County Insurance Consortium

The Williamsburg Local School District is a member of the Clermont County Insurance Consortium, an insurance purchasing pool. A number of Clermont County school districts and the Clermont County Educational Service Center have entered into an agreement to form the Clermont County Insurance Consortium. The overall objectives of the Consortium are to formulate and administer a program of health, dental, life, and/or other insurance benefits for the Consortium members' employees and their dependents. The Consortium's business and affairs are managed by a Board of Directors, consisting of the superintendents (or their designees) from each of the participating school districts and the educational service center.

The School District pays premiums based on what the Consortium estimates will cover the costs of all claims for which the Consortium is obligated. If the School District's claims exceeded its premiums, there is no individual supplemental assessment; on the other hand, if the School District's claims are low, it will not receive a refund. The Consortium views its activities in the aggregate, rather than on an individual entity basis. To obtain financial information, write to the current fiscal agent, Clermont County Educational Service Center at 2400 Clermont Center Drive, Suite 100, Batavia, Ohio 45103.

On January 1, 2017, Clermont County Insurance Consortium joined the Southwestern Ohio Educational Purchasing Council (EPC) for health, dental, vision, and life insurances. The Clermont County Insurance Consortium is no longer self-funded as of January 1, 2017. The Southwestern Ohio Educational Purchasing Council (EPC) is a council of governments with over 40 years of service experience, pooling the purchase power of 180 Ohio School Districts. All insurances operate as if they are a fully insured plan where districts pay an annual premium (as determined by EPC) for their coverages. As of January 1, 2017 districts pay monthly premiums directly to EPC.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Ohio SchoolComp Workers' Compensation Group Rating Plan

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP) was established as a group insurance purchasing pool. The GRP's business and affairs are conducted by a five member Board of Directors. Each fiscal year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

Note 16 – Interfund Activity

Interfund Transfers

Transfers made during the fiscal year ended June 30, 2024 were as follows:

	Transfers To	Transfers From
<i>Major Fund:</i>		
General Fund	\$0	\$2,941,460
<i>Nonmajor Funds:</i>		
Permanent Improvement	2,571,460	0
Student Activities	50,000	0
Athletics	320,000	0
Total Nonmajor Funds	2,941,460	0
Total All Funds	\$2,941,460	\$2,941,460

Transfers were made from the general fund to move unrestricted balances to support programs and projects accounted for in other funds.

Interfund Receivables/Payables

At June 30, 2024, the School District had the following outstanding interfund balances:

	Receivables	Payables
<i>Major Fund:</i>		
General Fund	\$46,844	\$0
<i>Nonmajor Funds:</i>		
Food Service Fund	0	39,372
Title II-A	0	7,472
Total Nonmajor Funds	0	46,844
Total All Funds	\$46,844	\$46,844

The general fund advanced funds to the food services and Title II-A funds in anticipation of grant revenues. These funds are expected to be repaid in the subsequent fiscal year.

Note 17 - Contingencies

Litigation

The School District is not currently party to legal proceedings.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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. 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.

State Foundation Funding

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

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

	General Fund	Locally Funded Initiative Fund	OFCC Construction Fund	Nonmajor Funds	Total Governmental Funds
<i>Restricted for</i>					
Other Purposes	\$0	0	\$0	\$102,760	\$102,760
Capital Improvements	0	15,044,220	5,892,334	0	20,936,554
Student Activities and Athletics	0	0	0	300,119	300,119
Total Restricted	0	15,044,220	5,892,334	402,879	21,339,433
<i>Committed for</i>					
Severance Benefits	221,198	0	0	0	159,827
Permanent Improvements	0	0	0	2,949,943	2,949,943
Total Committed	221,198	0	0	2,949,943	3,171,141
<i>Assigned to</i>					
Student and Staff Support	22,749	0	0	0	22,749
Other Purposes	60,285	0	0	0	60,285
Total Assigned	83,034	0	0	0	83,034
<i>Unassigned (Deficit)</i>	5,049,089	0	0	(126,496)	4,922,593
<i>Total Fund Balances</i>	\$5,353,321	\$15,044,220	\$5,892,334	\$3,226,326	\$29,516,201

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 19 - Encumbrances

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

<i>Major Funds:</i>	
General	\$67,944
<i>Nonmajor Funds:</i>	
Student Activities	7,000

Note 20 – Accountability and Compliance

Accountability

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

<i>Nonmajor Funds:</i>	
Lunchroom	\$74,313
Title VI-B	31,650
Title I	20,533

These deficits resulted from payables recorded in accordance with generally accepted accounting principles. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 21 – New Accounting Pronouncements

New Accounting Pronouncements

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

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

For fiscal year 2024, the ESSER and Permanent Improvement funds presentation was changed from major to nonmajor.

Note 22 – Tax Abatements Entered Into By Other Governments

Williamsburg Township, Clermont County, (the Township) has entered into an Enterprise Zone Agreement (EZA) with property owners located within the taxing district of the School District. EZAs provide for property tax abatements to encourage job growth and economic development in the Township. The EZA provides for direct incentive property tax exemptions benefiting property owners who renovate or construct new buildings. As a result of the EZA, the School District’s property taxes were reduced by \$910,244 during fiscal year 2024. The School District received \$778,799 in compensation payments associated with the forgone property tax revenue.

Williamsburg Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<i>State Teachers Retirement System</i>										
School District's proportion of the net pension liability	0.035199859%	0.036060140%	0.036367690%	0.037294290%	0.038820370%	0.039974390%	0.037884700%	0.037531119%	0.037168120%	0.039024710%
School District's proportionate share of the net pension liability	\$8,561,824	\$9,965,968	\$12,173,362	\$8,859,339	\$8,535,728	\$8,840,096	\$9,166,749	\$4,798,691	\$8,262,520	\$8,403,947
School District's covered payroll	\$3,633,715	\$3,700,686	\$3,946,743	\$4,164,057	\$4,462,143	\$4,713,207	\$4,031,471	\$4,218,421	\$4,416,636	\$4,778,107
School District's proportionate share of the net pension liability as a percentage of its covered payroll	235.6%	269.3%	308.4%	212.8%	191.3%	187.6%	227.4%	113.8%	187.1%	175.9%
Plan fiduciary net position as a percentage of the total pension liability	74.7%	72.1%	66.8%	75.3%	77.3%	77.4%	75.5%	87.8%	78.9%	80.0%
<i>School Employees Retirement System</i>										
School District's proportion of the net pension liability	0.040956991%	0.043324700%	0.043540300%	0.042776200%	0.041786000%	0.041109800%	0.040224000%	0.039109600%	0.041385600%	0.051223300%
School District's proportionate share of the net pension liability	\$2,072,810	\$2,472,149	\$3,186,748	\$2,555,783	\$2,393,162	\$2,459,671	\$2,660,500	\$1,443,031	\$2,238,455	\$2,830,351
School District's covered payroll	\$1,170,007	\$1,280,918	\$1,316,400	\$1,377,943	\$1,293,170	\$1,318,185	\$1,305,021	\$1,243,450	\$1,501,714	\$2,073,936
School District's proportionate share of the net pension liability as a percentage of its covered payroll	177.2%	193.0%	242.1%	185.5%	185.1%	186.6%	203.9%	116.1%	149.1%	136.5%
Plan fiduciary net position as a percentage of the total pension liability	71.7%	69.2%	63.0%	69.5%	71.4%	70.9%	68.6%	82.9%	75.8%	76.1%

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

Williamsburg Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)
Last Eight Fiscal Years

	2017	2018	2019	2020	2021	2022	2023	2024
<i>State Teachers Retirement System</i>								
School District's proportion of the net OPEB liability (asset)	0.036367690%	0.037294300%	0.038820400%	0.039974390%	0.037884700%	0.037531119%	0.037168120%	0.039024710%
School District's proportionate share of the net OPEB liability (asset)	\$1,994,508	\$1,455,086	(\$623,804)	(\$662,072)	(\$665,823)	(\$791,313)	(\$962,406)	(\$758,977)
School District's covered payroll	\$3,946,743	\$4,164,057	\$4,462,143	\$4,713,207	\$4,031,471	\$4,218,421	\$4,416,636	\$4,778,107
School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	50.5%	34.9%	-14.0%	-14.0%	-16.5%	-18.8%	-21.8%	-15.9%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	37.3%	47.1%	176.0%	174.7%	182.1%	174.7%	230.7%	168.5%
<i>School Employees Retirement System</i>								
School District's proportion of the net OPEB liability	0.043540300%	0.043393400%	0.042386100%	0.041966300%	0.041627900%	0.040079400%	0.042495300%	0.052523200%
School District's proportionate share of the net OPEB liability	\$1,236,872	\$1,164,565	\$1,175,905	\$1,055,364	\$904,711	\$758,535	\$596,638	\$865,291
School District's covered payroll	\$1,316,400	\$1,377,943	\$1,293,170	\$1,318,185	\$1,305,021	\$1,243,450	\$1,501,714	\$2,073,936
School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	94.0%	84.5%	90.9%	80.1%	69.3%	61.0%	39.7%	41.7%
Plan fiduciary net position as a percentage of the total OPEB liability	11.5%	12.5%	13.6%	15.6%	18.2%	24.1%	30.3%	30.0%

The amounts presented are as of the School District's measurement date, which is the prior fiscal year end.
Information not available prior to 2017.
See accompanying notes to the required supplementary information.

Williamsburg Local School District
Required Supplementary Information
Schedule of School District Contributions
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<i>State Teachers Retirement System</i>										
Contractually required contribution - pension	\$518,096	\$552,544	\$582,968	\$624,700	\$659,849	\$564,406	\$590,579	\$618,329	\$668,935	\$756,528
Contractually required contribution - OPEB	0	0	0	0	0	0	0	0	0	0
Contractually required contribution - total	518,096	552,544	582,968	624,700	659,849	564,406	590,579	618,329	668,935	756,528
Contributions in relation to the contractually required contribution	518,096	552,544	582,968	624,700	659,849	564,406	590,579	618,329	668,935	756,528
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School District's covered payroll	\$3,700,686	\$3,946,743	\$4,164,057	\$4,462,143	\$4,713,207	\$4,031,471	\$4,218,421	\$4,416,636	\$4,778,107	\$5,403,771
Contributions as a percentage of covered payroll - pension	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Contributions as a percentage of covered payroll - OPEB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a percentage of covered payroll - total	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
<i>School Employees Retirement System</i>										
Contractually required contribution - pension	\$168,825	\$184,296	\$192,912	\$174,578	\$177,955	\$182,703	\$174,083	\$210,240	\$290,351	\$323,235
Contractually required contribution - OPEB (1)	10,504	0	0	6,466	6,591	0	0	0	0	0
Contractually required contribution - total	179,329	184,296	192,912	181,044	184,546	182,703	174,083	210,240	290,351	323,235
Contributions in relation to the contractually required contribution	179,329	184,296	192,912	181,044	184,546	182,703	174,083	210,240	290,351	323,235
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School District's covered payroll	\$1,280,918	\$1,316,400	\$1,377,943	\$1,293,170	\$1,318,185	\$1,305,021	\$1,243,450	\$1,501,714	\$2,073,936	\$2,308,821
Contributions as a percentage of covered payroll - pension	13.18%	14.00%	14.00%	13.50%	13.50%	14.00%	14.00%	14.00%	14.00%	14.00%
Contributions as a percentage of covered payroll - OPEB	0.82%	0.00%	0.00%	0.50%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a percentage of covered payroll - total	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

(1) Excludes surcharge.

See accompanying notes to the required supplementary information.

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Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

State Teachers Retirement System

Pension

Changes in benefit terms

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

Changes in assumptions

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

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

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

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

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

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

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

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

There were no changes in assumptions for fiscal year 2024.

OPEB

Changes in benefit terms

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

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

- The HealthSpan HMO plans were eliminated.

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

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

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

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

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

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

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

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

Changes in assumptions

There were no changes in assumptions for fiscal year 2017.

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

- The assumed salary scale was modified.

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

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

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

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

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

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

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

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

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

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

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

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

School Employees Retirement System

Pension

Changes in benefit terms

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

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

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

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

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

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

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

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

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

Changes in assumptions

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

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

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

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

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

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

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

OPEB

Changes in benefit terms

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

Changes in assumptions

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

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

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

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

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

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

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

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

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

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

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

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

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

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

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

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

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Williamsburg Local School District
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Pass Through Entity Number	Federal Assistance Listing Number	Federal Awards Expenditures
<u>United States Department of Treasury</u>			
<i>Passed through the Ohio Facilities Construction Commission</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	5CV3	21.027	\$39,123
Total United States Department of Treasury			39,123
<u>United States Department of Education</u>			
<i>Passed through the Ohio Department of Education and Workforce</i>			
Special Education Cluster (IDEA):			
Special Education-Grants to States	N/A	84.027	260,641
COVID-19 Special Education-Grants to States	N/A	84.027X	49,220
Special Education-Preschool Grants	N/A	84.173	2,121
Total Special Education Cluster (IDEA)			311,982
Title I Grants to Local Educational Agencies	N/A	84.010	196,177
COVID-19 Education Stabilization Fund-ESSER II	N/A	84.425D	346,378
COVID-19 Education Stabilization Fund-ARP ESSER	N/A	84.425U	1,306,962
COVID-19 Education Stabilization Fund-ARP Homeless Round II	N/A	84.425W	2,076
Total COVID-19 Education Stabilization Fund			1,655,416
Supporting Effective Instruction State Grants	N/A	84.367	29,898
Student Support and Academic Enrichment Program	N/A	84.424	19,501
Total United States Department of Education			2,212,974
Total Federal Financial Assistance			\$2,252,097

N/A - pass through entity number not available.

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Williamsburg 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 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Williamsburg Local School District, (the School District) under programs of the federal government for the year ended June 30, 2024. The information in 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 School District, it is not intended to and does not present the financial position or changes in net position of the School District.

Note 2 – 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 the Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

Note 3 – Indirect Cost Rate

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

Note 4 – Transfers Between Program Years

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education and Workforce's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The School District transferred the following amount from 2024 to 2025 programs:

Program Title	AL Number	Amount Transferred
Title I Grants to Local Educational Agencies	84.010A	\$3,920



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

Williamsburg Local School District
Clermont County
549-A West Main Street
Williamsburg, Ohio 45176

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Williamsburg Local School District, Clermont 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 and have issued our report thereon dated March 11, 2025, wherein we noted the District implemented Government Accounting Standards Board (GASB) Statement No. 100 *Accounting Changes and Error Corrections*.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio
March 11, 2025



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Columbus, Ohio 43215
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Williamsburg Local School District
Clermont County
549-A West Main Street
Williamsburg, Ohio 45176

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Williamsburg Local School District's, Clermont County, (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 Williamsburg Local School District's major federal program for the year ended June 30, 2024. Williamsburg Local School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Williamsburg 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.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in black ink, appearing to read "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio
March 11, 2025

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**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major 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):	84.425D, 84.425U, 84.425W - Elementary and Secondary School Emergency Relief
(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**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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Williamsburg Local School District Board of Education

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR 200.511(b) June 30, 2024

Finding Number	Finding Summary	Status	Additional Information
2023-001	Noncompliance Ohio Rev. Code § 5705.41(B) expenditures in excess of appropriations	Corrective Action Taken and Finding is Fully Corrected	

Jeff Cummins
Board President

Brandon Lindsey
Board Vice President

Charlie Maklem
Board Member

Daniel Knapke
Board Member

R. Josh Clifton
Board Member

Matt Earley
Superintendent

Greg Wells
Treasurer / CFO

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OHIO AUDITOR OF STATE KEITH FABER



WILLIAMSBURG LOCAL SCHOOL DISTRICT

CLERMONT 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 3/25/2025

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