



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

ADAMS COUNTY / OHIO VALLEY LOCAL SCHOOL DISTRICT
ADAMS COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2024



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Education
Adams County / Ohio Valley Local School District
141 Lloyd Rd
West Union, OH 45693

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

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Adams County / Ohio Valley Local School District is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

May 30, 2025

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Adams County/ Ohio Valley Local School District

Adams County

For the Year Ended June 30, 2024

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Adams County/ Ohio Valley Local School District

Adams County

For the Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Adams County / Ohio Valley Local School District
Adams County
141 Lloyd Rd
West Union, Ohio 45693

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 Adams County / Ohio Valley Local School District, Adams County, Ohio (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Adams County / Ohio Valley Local School District, Adams County, Ohio as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, required budgetary comparison schedule, 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 December 30, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
December 30, 2024

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Adams County/Ohio Valley School District, Ohio

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2024

(Unaudited)

As management of the Adams County/Ohio Valley School District, we offer the readers of the 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 financial statements to enhance their understanding of the District's performance.

This discussion and analysis of Adams County/Ohio Valley School District's financial performance is intended to serve as an introduction to the District's basic financial statements, and provides an overall review of the District's financial activities for the fiscal year ended June 30, 2024. The Adams County/Ohio Valley School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Government issued June 1999.

Financial Highlights

- The assets and deferred outflows of resources of the Adams County/Ohio Valley School District exceeded its liabilities and deferred inflows of resources at June 30, 2024 by \$35,284,591. Net investment in capital assets and net position restricted for specific purposes totaled \$54,346,400, leaving a balance in unrestricted net position of (\$19,061,809).
- Net position of governmental activities increased by \$2,089,453 which represents a 6% increase from 2023.
- General revenues accounted for \$41,796,552 or 57% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$31,082,092 or 43% of total revenues of \$72,878,644.
- The District had \$70,789,191 in expenses related to governmental activities; only \$31,082,092 of these expenses were offset by program specific charges for services and sales, operating grants, contributions and interest, and capital grants and contributions.

Using the Basic Financial Statements

This report consists of a series of financial statements and the notes to the basic financial statements. These statements are organized so the reader can understand Adams County/Ohio Valley 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 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 District's major funds, with all other nonmajor funds presented in total in one column. The major funds for the Adams County/Ohio Valley School District are the General and Debt Service Funds.

Adams County/Ohio Valley School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Reporting the District as a Whole

One of the most important questions asked about the 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 District's financial statements, report information on the District as a whole and its activities in a way that helps answer this question. These government-wide financial statements include all *assets and deferred outflows*, and *liabilities and deferred inflows* 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 current year revenues and expenses regardless of when cash is received or paid.

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

In the Government-wide Financial Statements, the overall financial position of the District is presented in the following manner:

Governmental Activities – Most of the District's programs and services are reported here including instruction, support services, operation of non-instructional services, extracurricular activities and interest and fiscal charges.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major funds begins on the balance sheet. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's major funds.

Governmental Funds - Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at 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 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.

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Adams County/Ohio Valley School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

The District as a Whole

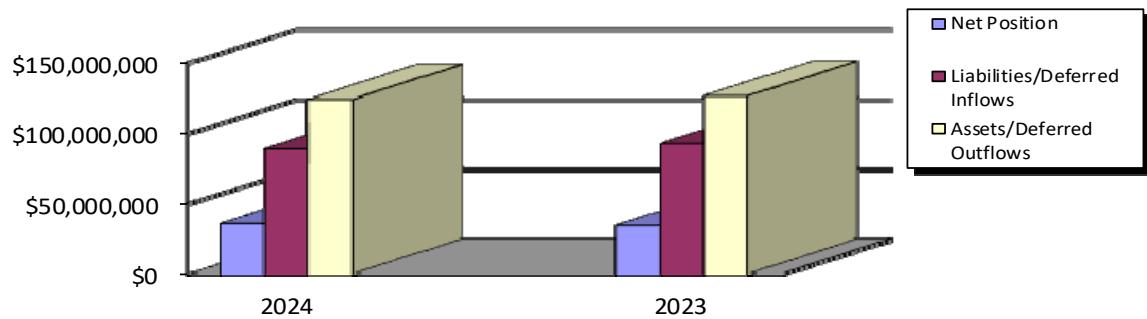
Recall that the Statement of Net Position provides the perspective of the District as a whole.

Table 1 provides a summary of the District's net position for fiscal years 2024 and 2023:

Table 1
Net Position

	Governmental Activities	
	2024	2023
Assets:		
Current and Other Assets	\$52,968,026	\$51,681,088
Net OPEB Asset	3,218,404	4,366,435
Capital Assets	<u>54,991,058</u>	<u>56,327,714</u>
Total Assets	<u>111,177,488</u>	<u>112,375,237</u>
Deferred Outflows of Resources:		
Deferred Charge on Refunding	333,209	366,529
Pension	9,829,485	11,882,199
OPEB	<u>2,328,064</u>	<u>1,569,013</u>
Total Deferred Outflows of Resources	<u>12,490,758</u>	<u>13,817,741</u>
Liabilities:		
Other Liabilities	7,288,070	8,631,566
Long-Term Liabilities	<u>62,088,213</u>	<u>63,759,676</u>
Total Liabilities	<u>69,376,283</u>	<u>72,391,242</u>
Deferred Inflows of Resources:		
OPEB	5,480,883	6,921,134
Property Taxes	10,275,032	9,271,453
Pension	<u>3,251,457</u>	<u>4,414,011</u>
Total Deferred Inflows of Resources	<u>19,007,372</u>	<u>20,606,598</u>
Net Position:		
Net Investment in Capital Assets	43,617,974	43,810,269
Restricted	10,728,426	11,893,444
Unrestricted	<u>(19,061,809)</u>	<u>(22,508,575)</u>
Total Net Position	<u>\$35,284,591</u>	<u>\$33,195,138</u>

Adams County/Ohio Valley School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)



Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2024, the District's assets and deferred outflows exceeded liabilities and deferred inflows by \$35,284,591.

Total assets decreased mainly due to a decrease in net OPEB Assets and capital assets. Long-term liabilities decreased mainly due to changes in the Pension and OPEB Liability.

Table 2 shows the highlights of the 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 further divided into two major components: Program Revenues and General Revenues. Program Revenues are defined as charges for services and sales, restricted operating grants and contributions and capital grants and contributions. General Revenues include taxes and unrestricted grants, such as State foundation support, gifts and donations, investment earnings and miscellaneous.

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Adams County/Ohio Valley School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities	
	2024	2023
Revenues:		
Program Revenues		
Charges for Services and Sales	\$12,669,867	\$11,396,327
Operating Grants and Contributions	18,412,225	19,119,740
General Revenues		
Property Taxes	12,381,786	12,264,163
Grants and Entitlements not Restricted to Specific Programs	27,939,701	27,634,514
Other	1,475,065	1,069,391
Total Revenues	72,878,644	71,484,135
Program Expenses		
Instruction	37,650,930	38,510,708
Support Services:		
Pupil and Instructional Staff	4,996,301	6,086,214
School Administrative, General		
Administration, Fiscal and Business	15,024,331	16,052,356
Operations and Maintenance	5,537,643	3,525,427
Pupil Transportation	3,500,575	3,559,176
Central	165,161	317,219
Operation of Non-Instructional Services	2,438,748	2,660,249
Extracurricular Activities	1,163,395	1,104,387
Interest and Fiscal Charges	312,107	328,302
Total Program Expenses	70,789,191	72,144,038
Change in Net Position	2,089,453	(659,903)
Net Position - Beginning of Year	33,195,138	33,855,041
Net Position - End of Year	\$35,284,591	\$33,195,138

Grants and entitlements not restricted to specific programs made up 38% of total revenues of the District for fiscal year 2024 while Property Taxes made up 17%.

Instruction comprises 53% of governmental program expenses. Support services expenses comprise of 41% of governmental expenses. All other expenses make up 6% of governmental expenses. The District had an increase in total expenses from 2023 to 2024 due to instruction services.

The Statement of Activities shows the cost of program services and the charges for services and sales, 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 restricted grants, fees and donations.

Adams County/Ohio Valley School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Instruction	\$37,650,930	\$38,510,708	(\$14,067,882)	(\$14,617,880)
Support Services:				
Pupil and Instructional Staff	4,996,301	6,086,214	(3,098,905)	(2,770,904)
School Administrative, General				
Administration, Fiscal and Business	15,024,331	16,052,356	(14,927,841)	(16,019,582)
Operations and Maintenance	5,537,643	3,525,427	(3,865,278)	(3,379,267)
Pupil Transportation	3,500,575	3,559,176	(2,655,881)	(3,069,851)
Central	165,161	317,219	(165,161)	(317,219)
Operation of Non-Instructional Services	2,438,748	2,660,249	(55,643)	(487,155)
Extracurricular Activities	1,163,395	1,104,387	(558,401)	(637,811)
Interest and Fiscal Charges	312,107	328,302	(312,107)	(328,302)
Total Expenses	<u>\$70,789,191</u>	<u>\$72,144,038</u>	<u>(\$39,707,099)</u>	<u>(\$41,627,971)</u>

The District's Funds

The District has two major governmental funds: the General Fund and the Debt Service Fund. Assets of these funds comprised \$46,583,400 (85%) of the total \$54,519,486 governmental funds' assets.

General Fund: Fund balance at June 30, 2024 was \$25,111,006, an increase in fund balance of \$1,436,508 from 2023. The primary reason for the increase in fund balance was due to the increase in intergovernmental and investment earnings revenue from 2023 to 2024.

Debt Service Fund: Fund balance at June 30, 2024 was \$5,158,318, a increase in fund balance of \$25,948 from 2023. The fund balance increased is mainly due to an increase in property and other taxes when compared to the prior year.

General Fund - Budget Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. During the course of fiscal year 2024, the District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures.

For the General Fund, final budget basis revenue was \$55,394,740 with original budget estimates of \$51,247,819; the difference was mainly due to underestimating tax revenue and intergovernmental revenue. The original budget estimates for expenditures for the District increased when compared to the actual expenditures due to underestimates made by the District. The final budget estimated expenditures were \$57,061,142 while the actual expenditures for the District were \$49,020,997.

The District's ending unobligated cash balance of \$17,763,268 was \$265,677 below the final budgeted amount in the General Fund.

Adams County/Ohio Valley School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

The Adams County/Ohio Valley School District's investment in capital assets as of June 30, 2024 was \$54,991,058. This investment in capital assets includes land, land improvements, buildings and improvements, equipment, and vehicles. Table 4 shows fiscal year 2024 balances compared to fiscal year 2023:

Table 4
Capital Assets at Year End
(Net of Depreciation)

	Governmental Activities	
	2024	2023
Land	\$1,908,227	\$1,908,227
Construction in Progress	303,646	
Land Improvements	1,255,248	1,733,838
Buildings and Improvements	46,725,762	48,823,309
Furniture, Fixtures, and Equipment	2,461,127	1,873,647
Vehicles	2,337,048	1,988,693
Totals	\$54,991,058	\$56,327,714

Capital Assets decreased as a result of additions being less than depreciation expense. For more information on capital assets, refer to Note 6 of the basic financial statements.

Debt

At June 30, 2024, the District had \$11,706,293 in outstanding debt, \$1,142,662 due within one year. Table 5 summarizes the District's outstanding debt:

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2024	2023
2019 Farm Purchase	\$292,500	\$390,000
2021 Refunding of 2013 School Improvement Bonds	4,300,000	5,146,000
HB264 Bonds, Series 2014	1,069,067	1,264,276
2015 Refunding of 2007 School Improvement Bonds	5,655,000	5,655,000
Premium on 2015 Refunding of School Improvement Bonds	389,726	428,698
Totals	\$11,706,293	\$12,883,974

For more information on outstanding debt, refer to Note 11 of the basic financial statements.

Adams County/Ohio Valley School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

For the Future

As the United States economy continues to approach a recession, state and federal grant continuation could be jeopardized. Furthermore, with upcoming State elections, the Foundations Funding Formula for Public Education could very likely change once again. Since we are funded approximately 90% General Fund operations by the State this could have a detrimental effect on our operational capabilities.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Treasurer, Adams County/Ohio Valley School District, 141 Lloyd Road, West Union, OH 45693.

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Adams County/Ohio Valley School District, Ohio
 Statement of Net Position
 June 30, 2024

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$36,922,083
Restricted Cash and Investments	14,265
Receivables (Net):	
Taxes	13,567,065
Accounts	66,052
Interest	59,384
Intergovernmental	1,723,458
Prepaid	591,958
Inventory	23,761
Nondepreciable Capital Assets	2,211,873
Depreciable Capital Assets, Net	52,779,185
Net OPEB Asset	<u>3,218,404</u>
Total Assets	<u>111,177,488</u>
Deferred Outflows of Resources:	
Deferred Charge on Refunding	333,209
Pension	9,829,485
OPEB	<u>2,328,064</u>
Total Deferred Outflows of Resources	<u>12,490,758</u>
Liabilities:	
Accounts Payable	563,148
Accrued Wages and Benefits	5,874,212
Contracts Payable	62,726
Accrued Interest Payable	25,898
Unearned Revenue	91,086
Claims Payable	671,000
Long-Term Liabilities:	
Due Within One Year	1,192,332
Due In More Than One Year:	
Net Pension Liability	45,793,295
Net OPEB Liability	3,103,530
Other Amounts	<u>11,999,056</u>
Total Liabilities	<u>69,376,283</u>
Deferred Inflows of Resources:	
Property Taxes	10,275,032
OPEB	5,480,883
Pension	<u>3,251,457</u>
Total Deferred Inflows of Resources	<u>19,007,372</u>
Net Position:	
Net Investment in Capital Assets	43,617,974
Restricted for:	
Local Grants	77,381
Debt Service	5,220,671
Food Service	121,796
Classroom Facilities Maintenance	1,173,192
Federal Grants	512,543
Net OPEB Asset	3,218,404
Other Purposes	404,439
Unrestricted	<u>(19,061,809)</u>
Total Net Position	<u>\$35,284,591</u>

See accompanying notes to the basic financial statements.

Adams County/Ohio Valley School District, Ohio

Statement of Activities

For the Fiscal Year Ended June 30, 2024

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants and Contributions			
Governmental Activities:						
Instruction:						
Regular	\$20,917,702	\$10,683,122	\$2,619,986	(\$7,614,594)		
Special	13,129,594	373,916	7,926,907	(4,828,771)		
Vocational	2,972,561	570,757	1,403,660	(998,144)		
Adult/Continuing	480,596	0	0	(480,596)		
Other	150,477	4,700	0	(145,777)		
Support Services:						
Pupil	3,577,238	1,435	1,643,114	(1,932,689)		
Instructional Staff	1,419,063	0	252,847	(1,166,216)		
General Administration	65,988	0	0	(65,988)		
School Administration	4,697,488	0	94,866	(4,602,622)		
Fiscal	10,227,188	0	1,624	(10,225,564)		
Business	33,667	0	0	(33,667)		
Operations and Maintenance	5,537,643	3,836	1,668,529	(3,865,278)		
Pupil Transportation	3,500,575	140	844,554	(2,655,881)		
Central	165,161	0	0	(165,161)		
Operation of Non-Instructional Services	2,438,748	426,967	1,956,138	(55,643)		
Extracurricular Activities	1,163,395	604,994	0	(558,401)		
Interest and Fiscal Charges	312,107	0	0	(312,107)		
Totals	\$70,789,191	\$12,669,867	\$18,412,225	(39,707,099)		

General Revenues:

Property Taxes Levied for:	
General Purposes	10,110,050
Special Revenue Purposes	212,738
Debt Service Purposes	1,101,326
Capital Projects Purposes	957,672
Grants and Entitlements, Not Restricted	27,939,701
Unrestricted Contributions	13,441
Investment Earnings	1,036,250
Other Revenues	425,374
 Total General Revenues	 41,796,552
 Change in Net Position	 2,089,453
 Net Position - Beginning of Year	 33,195,138
 Net Position - End of Year	 \$35,284,591

See accompanying notes to the basic financial statements.

Adams County/Ohio Valley School District, Ohio

Balance Sheet

Governmental Funds

June 30, 2024

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$27,514,313	\$4,942,320	\$4,465,450	\$36,922,083
Restricted Cash and Investments	14,265	0	0	14,265
Receivables (Net):				
Taxes	11,238,347	1,120,751	1,207,967	13,567,065
Accounts	66,052	0	0	66,052
Interest	59,384	0	0	59,384
Intergovernmental	0	0	1,723,458	1,723,458
Interfund	1,551,460	0	0	1,551,460
Prepaid	76,508	0	515,450	591,958
Inventory	0	0	23,761	23,761
Total Assets	40,520,329	6,063,071	7,936,086	54,519,486
Liabilities:				
Accounts Payable	139,758	0	423,390	563,148
Accrued Wages and Benefits	5,233,915	0	640,297	5,874,212
Contracts Payable	0	0	62,726	62,726
Interfund Payable	0	0	1,551,460	1,551,460
Unearned Revenue	0	0	91,086	91,086
Claims Payable	671,000	0	0	671,000
Total Liabilities	6,044,673	0	2,768,959	8,813,632
Deferred Inflows of Resources:				
Property Taxes	9,329,537	904,753	988,268	11,222,558
Grants and Other Taxes	0	0	232,604	232,604
Investment Earnings	35,113	0	0	35,113
Total Deferred Inflows of Resources	9,364,650	904,753	1,220,872	11,490,275
Fund Balances:				
Nonspendable	90,773	0	515,450	606,223
Restricted	0	5,158,318	1,778,373	6,936,691
Committed	654,006	0	1,893,646	2,547,652
Assigned	13,996,140	0	0	13,996,140
Unassigned	10,370,087	0	(241,214)	10,128,873
Total Fund Balances	25,111,006	5,158,318	3,946,255	34,215,579
Total Liabilities, Deferred Inflows and Fund Balances	\$40,520,329	\$6,063,071	\$7,936,086	\$54,519,486

See accompanying notes to the basic financial statements.

Adams County/Ohio Valley School District, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 June 30, 2024

Total Governmental Fund Balance \$34,215,579

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.

Capital assets used in the operation of Governmental Funds	54,991,058
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Delinquent Property Taxes	947,526
Interest	35,113
Intergovernmental	<u>232,604</u>

1,215,243

In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.

(25,898)

Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.

Compensated Absences	(1,485,095)
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Deferred outflows of resources associated with long-term liabilities are not reported in the funds. 333,209

Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	9,829,485
Deferred inflows of resources related to pensions	(3,251,457)
Deferred outflows of resources related to OPEB	2,328,064
Deferred inflows of resources related to OPEB	<u>(5,480,883)</u>

3,425,209

Long-term liabilities and net OPEB assets are not available to pay for current period expenditures and are not due and payable in the current period and, therefore, are not reported in the funds.

Net OPEB Asset	3,218,404
Net Pension Liability	(45,793,295)
Net OPEB Liability	(3,103,530)
Other Amounts	<u>(11,706,293)</u>

(57,384,714)

Net Position of Governmental Activities \$35,284,591

See accompanying notes to the basic financial statements.

Adams County/Ohio Valley School District, Ohio
 Statement of Revenues, Expenditures
 and Changes in Fund Balance
 Governmental Funds
 For the Fiscal Year Ended June 30, 2024

	General	Debt Service	Formerly Major Fund ESSER: School Emergency Relief	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and Other Taxes	\$10,076,134	\$1,097,430	\$0	\$1,166,474	\$12,340,038
Tuition and Fees	1,062,892	0	0	0	1,062,892
Investment Earnings	1,011,251	0	0	0	1,011,251
Intergovernmental	35,208,951	122,862	0	13,284,011	48,615,824
Extracurricular Activities	117,991	0	0	591,211	709,202
Charges for Services	10,462,615	0	0	426,967	10,889,582
Other Revenues	172,813	0	0	274,191	447,004
Total Revenues	58,112,647	1,220,292		15,742,854	75,075,793
Expenditures:					
Current:					
Instruction:					
Regular	17,965,215	0	0	802,909	18,768,124
Special	8,987,476	0	0	4,065,220	13,052,696
Vocational	2,745,393	0	0	190,326	2,935,719
Adult/Continuing	480,596	0	0	0	480,596
Other	150,477	0	0	0	150,477
Support Services:					
Pupil	2,508,179	0	0	1,048,680	3,556,859
Instructional Staff	1,071,378	0	0	360,943	1,432,321
General Administration	66,345	0	0	0	66,345
School Administration	4,636,386	0	0	88,459	4,724,845
Fiscal	10,192,218	44,299	0	45,431	10,281,948
Business	33,088	0	0	0	33,088
Operations and Maintenance	3,507,828	0	0	2,406,869	5,914,697
Pupil Transportation	3,163,948	0	0	793,709	3,957,657
Central	167,785	0	0	0	167,785
Operation of Non-Instructional Services	748	0	0	2,511,957	2,512,705
Extracurricular Activities	657,067	0	0	504,915	1,161,982
Capital Outlay	29,192	0	0	536,622	565,814
Debt Service:					
Principal Retirement	0	1,041,209	0	97,500	1,138,709
Interest and Fiscal Charges	0	319,156	0	0	319,156
Total Expenditures	56,363,319	1,404,664		13,453,540	71,221,523
Excess of Revenues Over (Under) Expenditures	1,749,328	(184,372)	0	2,289,314	3,854,270
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	8,500	0	0	9,707	18,207
Transfers In	0	210,320	0	111,000	321,320
Transfers (Out)	(321,320)	0	0	0	(321,320)
Total Other Financing Sources (Uses)	(312,820)	210,320		120,707	18,207
Net Change in Fund Balance	1,436,508	25,948	0	2,410,021	3,872,477
Fund Balance - Beginning of Year, as previously presented	23,674,498	5,132,370	(2,193,825)	3,730,059	30,343,102
Change Within Financial Reporting Entity (Major to Nonmajor Fun	0	0	2,193,825	(2,193,825)	0
Fund Balance - Beginning of Year, as adjusted or restated	23,674,498	5,132,370	0	1,536,234	30,343,102
Fund Balance - End of Year	\$25,111,006	\$5,158,318	\$0	\$3,946,255	\$34,215,579

See accompanying notes to the basic financial statements.

Adams County/Ohio Valley School District, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balance - Total Governmental Funds \$3,872,477

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

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

Capital assets used in governmental activities	2,196,612
Depreciation Expense	(3,453,544)
	(1,256,932)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss.

(79,724)

Governmental funds report district pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employee contributions are reported as pension and OPEB expenses.

District pension contributions	4,330,150
Cost of benefits earned net of employee contributions - Pensions	(3,916,268)
District OPEB contributions	130,349
Cost of benefits earned net of employee contributions - OPEB	362,101
	906,332

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

Delinquent Property Taxes	41,748
Interest	24,999
Intergovernmental	(2,263,896)
	(2,197,149)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

1,138,709

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.

1,397

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

Compensated Absences	(301,309)
Amortization of Bond Premium	38,972
Amortization of Deferred Charge on Refunding	(33,320)
	(295,657)

Change in Net Position of Governmental Activities \$2,089,453

See accompanying notes to the basic financial statements.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Note 1 - Description of the School District and Reporting Entity

Adams County/Ohio Valley School District (the “District”) is organized under Article IV, Sections 2 and 3 of the Constitution of the State of Ohio. The District operates under a locally-elected board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by State statute and federal guidelines.

The Adams County/Ohio Valley School District serves an area of approximately 489 square miles, with 99 percent of its territory located in Adams County and the remaining one percent in Highland County. Political subdivisions included in the District are the Villages of West Union, Peebles, Winchester, Sinking Spring, Cherry Fork, and Seaman, the thirteen townships of Adams County and the southern half of Brush Creek Township in Highland County. The District is staffed by 249 non-certified employees and 306 certified employees as well as 33 administrative employees who provide services to 3,493 students and other community members. The District operates seven instructional buildings, one administrative building, one bus garage and a supply warehouse.

Reporting Entity

A 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 District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Adams County/Ohio Valley School District, this includes general operations, food service, preschool and student related activities of the District.

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

The following activities are included within the reporting entity:

Non-Public Schools - The Adams County Christian School is operated within the District boundaries. Current State legislation provides funding to these non-public schools. These monies are received and disbursed on behalf of the non-public schools by the Treasurer of the District, as directed by the non-public school. This activity is reflected in a special revenue fund and as part of governmental activities for financial reporting purposes.

The District participates in three jointly governed organizations and one insurance purchasing pool. These organizations are:

Jointly Governed Organization:

Hamilton Clermont Cooperative (HCC)

Hopewell Special Education Regional Resource Center

Southwestern Ohio Educational Purchasing Council

Information about these organizations is presented in Note 13 to the basic financial statements.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Note 2 - Summary of Significant Accounting Policies

The financial statements of the Adams County/Ohio Valley 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 District's accounting policies are described below.

Measurement Focus

Government-wide Financial Statements

The 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.

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net position. Fiduciary Funds are not included in entity-wide statements.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the 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 District.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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 reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid-management by segregating transactions related to certain District function or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds of the District are reported as governmental funds.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Governmental Funds

Governmental funds are those through which most governmental functions of the 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 deferred outflows, and liabilities and deferred inflows is reported as fund balance. The following are the District's major governmental funds:

General Fund – The General Fund is the operating fund of the 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 District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

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

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the actual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

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

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes available for advance, grants and interest.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred outflows relating to a deferred charge on refunding, OPEB, and pension are reported on the governmental-wide statement of new position. For more pension and OPEB related information, see Notes 8 and 9.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, grants and other taxes, pension, OPEB, and investment earnings. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance year 2025 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Grants and other taxes and investment earnings have been recorded as deferred inflows on the governmental fund financial statements. Deferred inflows related to pension and OPEB plans are reported in the governmental-wide statement of net position. For more pension and OPEB related information, see Notes 8 and 9.

Expenses/Expenditures

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

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

Equity in Pooled Cash and Investments

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

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Non-negotiable certificates of deposit are reported at cost. For investments in money market mutual funds, the fair value is determined by the fund's current share price.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2024 amounted to \$1,011,251 and \$0 in other governmental funds.

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 expenditure/expense is reported in the year in which the services are consumed.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventories consist of purchased and donated food held for resale and consumable supplies.

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost, 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 fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars. The 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	50 years
Buildings and Improvements	25 - 50 years
Furniture, Fixtures and Equipment	10 - 15 years
Vehicles	20 years

Interfund Activity

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables”. These amounts are eliminated in the governmental activities column on the Statement of Net Position.

As a general rule the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

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 District will compensate the employees for the benefits through paid time off or some other means. The 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 benefits will result in termination payments. The liability is an estimate based on the District’s past experience of making termination payments.

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

On 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 account “Compensated Absences Payable” in the fund from which the employees who have accumulated leave are paid. The unmatured portion of the liability is not reported.

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 in the current fiscal year. Bonds and long-term loans that will be paid from governmental funds are recognized as an expenditure and a liability in the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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.

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 the other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund represent unclaimed monies.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting*, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact (unclaimed monies).

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, the Board of Education.

Assigned – resources that are intended to be used for specific purposes as approved through the District's formal purchasing procedure by the Treasurer.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The 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.

Bond Premiums

In the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an addition of the face amount of the bonds payable.

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Estimates

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

Net Position

Net position represents the difference between assets and deferred inflows of resources, and liabilities and deferred outflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the 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 music and athletic programs and student activities, and federal and State grants restricted to expenditures for specified purposes.

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

The government-wide Statement of Net Position reports \$10,728,426 of restricted net position, none of which are restricted by enabling legislation.

Note 3 - Deposits and Investments

Monies held by the District are classified by State statute into three categories. Active monies are public monies determined to be necessary to meet current demands upon the District treasury. Active monies must be maintained either as cash in the District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board 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 monies held by the District can 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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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

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

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2024, \$17,292,355 of the District's bank balance of \$22,429,946 was exposed to custodial credit risk because it was uninsured and collateralized.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

The 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 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% 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% of the deposits being secured or a rate set by the Treasurer of State.

Investments

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

	Fair Value	Fair Value Hierarchy	Weighted Average Maturity (Years)
Commercial Paper	\$3,216,207	Level 2	0.46
Federal Home Loan Bank	1,839,870	Level 2	1.65
Federal Farm Credit Bank	1,011,670	Level 2	4.05
Federal Home Loan Mortgage	424,567	Level 2	3.05
US Treasury Notes	2,180,708	Level 2	3.70
US Treasury Bills	648,237	Level 2	0.95
Negotiable CDs	4,990,701	Level 2	1.36
Municipal Bonds	737,662	N/A	2.42
Money Market Funds	37,820	N/A	0.00
Total Fair Value	<u>\$15,087,442</u>		
Portfolio Weighted Average Maturity			1.80

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the District's recurring fair value measurements as of June 30, 2024. All investments of the District are valued using quoted market prices.

Interest Rate Risk

The District has no investment policy that addresses interest rate risk. 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 District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk

The District's investments in Federal Home Loan Bank was rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. Investments in Commercial Paper were rated A-1+ by Standard & Poor's and

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

P-1 by Moody's Investors Service. Municipal Bonds, Negotiable CDs and Money Market Funds were not rated.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Money Market Funds are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer. Of the District's total investments, 12% in Federal Home Loan Bank, 7% in Federal Farm Credit Bank, 3% in Federal Home Loan Mortgage, less than 1% is invested in Money Market Funds, 33% in Negotiable CDs, 21% in Commercial Paper, 14% in US Treasury Notes, 4% in US Treasury Bills and 5% in Municipal Bonds.

Note 4 - Property Taxes

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real and public utility property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on real property at 35 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. The District receives property taxes from Adams County and Highland County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2024, are available to finance fiscal year 2025 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property and public utility taxes that became measurable as of June 30, 2024. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations.

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

	2024 First Half Collections		2023 Second Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$501,613,200	80.83%	\$428,962,640	82.30%
Public Utility	119,000,540	19.17%	92,241,590	17.70%
Total Assessed Value	<u>\$620,613,740</u>	100.00%	<u>\$521,204,230</u>	100.00%

Note 5 – Receivables

Receivables at June 30, 2024, consisted of property taxes, accounts, interest, intergovernmental grants and interfund. All receivables are considered collectible in full and will be received within one year with the exception of the property taxes. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

Intergovernmental Receivables at June 30, 2024 were as follows:

Other Governmental Funds:

Public Preschool	\$84,050
IDEA-B	279,095
Title IV-A	28,732
Title I	715,040
Career Development	12,552
IDEA Preschool	3,176
Improving Teacher Quality	31,892
Miscellaneous Federal Grants	7,916
ESSER	505,772
WUHS Title I Non-Competitive Supplemental	55,233
Total Other Governmental Funds	<u>1,723,458</u>

Note 6 - Capital Assets

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

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Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,908,227	\$0	\$0	\$1,908,227
Construction in Progress	0	303,646	0	303,646
Total Capital Assets, not being depreciated	1,908,227	303,646	0	2,211,873
<i>Capital Assets, being depreciated:</i>				
Land Improvements	9,843,147	38,298	0	9,881,445
Buildings and Improvements	97,446,075	206,049	0	97,652,124
Furniture, Fixtures and Equipment	16,511,505	994,111	11,850	17,493,766
Vehicles	7,360,228	654,508	327,097	7,687,639
Total Capital Assets, being depreciated:	131,160,955	1,892,966	338,947	132,714,974
Totals at Historical Cost	133,069,182	2,196,612	338,947	134,926,847
Less Accumulated Depreciation:				
Land Improvements	8,109,309	516,888	0	8,626,197
Buildings and Improvements	48,622,766	2,303,596	0	50,926,362
Furniture's, Fixtures and Equipment	14,637,858	405,447	10,666	15,032,639
Vehicles	5,371,535	227,613	248,557	5,350,591
Total Accumulated Depreciation	76,741,468	3,453,544	259,223	79,935,789
Governmental Activities Capital Assets, Net	\$56,327,714	(\$1,256,932)	\$79,724	\$54,991,058

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$3,120,974
Special	618
Vocational	22,461
Support Services:	
Pupil	794
School Administration	6,805
Business	579
Operations and Maintenance	21,899
Pupil Transportation	260,561
Operation of Non-Instructional Services	13,303
Extracurricular Activities	5,550
Total Depreciation Expense	\$3,453,544

Note 7 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As of July 1, 2017, the District obtained coverage through the School Insurance Consultants of Mason, Ohio, serving as the agent. General liability coverage, educator's legal liability coverage, and auto liability and physical damage coverage are provided by Wright Specialty Insurance and AIG Insurance.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Property Coverage	(\$1,000 deductible)	\$300,000,000
Boiler and Machinery	(\$1,000 deductible)	50,000,000
Auto Liability/Physical Damage	(\$1,000 deductible)	6,000,000
General Liability	(\$0 deductible)	
Aggregate		\$3,000,000
Per Occurrence		1,000,000
Educator's Legal Liability	(\$2,500 deductible)	
Aggregate		\$8,000,000
Per Occurrence		6,000,000
Umbrella Coverage	(\$0 deductible)	
Aggregate		\$5,000,000
Per Occurrence		5,000,000

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

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Beginning in fiscal year 2018, the District began to self-insure its medical health-insurance costs. The District contracts with Anthem for the service. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in the general fund in accordance with GASB Statement No. 10.

A summary of the changes in self-insurance health insurance claims liability is as follows:

	2024	2023
Claims Liability at Beginning of Year	\$654,000	\$553,000
Claims Incurred	8,696,220	9,782,483
Claims Paid	(8,679,220)	(9,681,483)
Claims Liability at the End of Year	<u>\$671,000</u>	<u>\$654,000</u>

Note 8 - Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

The net pension/OPEB liability (asset) represent the District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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.

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

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

The remainder of this note includes the required pension disclosures. See Note 9 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

Plan Description

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

Age and service requirements for retirement are as follows:

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Adams County/Ohio Valley School District, Ohio**Notes to the Basic Financial Statements****For the Fiscal Year Ended June 30, 2024**

	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 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 District's contractually required contribution to SERS was \$1,080,046 for fiscal year 2024. Of this amount \$179,294 is reported as accrued wages and benefits.

Plan Description - State Teachers Retirement System (STRS)**Plan Description**

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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 fifty 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.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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 2024 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2024, the full employer contribution was allocated to pension.

The District's contractually required contribution to STRS was \$3,250,104 for fiscal year 2024. Of this amount \$541,684 is reported as accrued wages and benefits.

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

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	\$10,156,759	\$35,636,536	\$45,793,295
Proportion of the Net Pension Liability:			
Current Measurement Date	0.18381560%	0.16548242%	
Prior Measurement Date	0.17767970%	0.16863169%	
Change in Proportionate Share	0.00613590%	-0.00314927%	
Pension Expense	\$1,210,076	\$2,706,192	\$3,916,268

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

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Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

	SERS	STRS	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$436,561	\$1,299,233	\$1,735,794
Changes of assumptions	71,946	2,934,862	3,006,808
Changes in employer proportionate share of net pension liability	240,023	516,710	756,733
Contributions subsequent to the measurement date	1,080,046	3,250,104	4,330,150
Total Deferred Outflows of Resources	\$1,828,576	\$8,000,909	\$9,829,485
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$0	\$79,079	\$79,079
Changes of assumptions	0	2,209,107	2,209,107
Net difference between projected and actual earnings on pension plan investments	142,762	106,804	249,566
Changes in employer proportionate share of net pension liability	164,936	548,769	713,705
Total Deferred Inflows of Resources	\$307,698	\$2,943,759	\$3,251,457

\$4,330,150 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2025	\$4,711	(\$213,791)	(\$209,080)
2026	(292,465)	(1,068,256)	(1,360,721)
2027	721,021	3,409,943	4,130,964
2028	7,565	(320,850)	(313,285)
Total	\$440,832	\$1,807,046	\$2,247,878

Actuarial Assumptions - SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2137.

Adams County/Ohio Valley School District, Ohio**Notes to the Basic Financial Statements****For the Fiscal Year Ended June 30, 2024**

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

	June 30, 2023	June 30, 2022
Inflation	2.40%	2.40%
Future Salary Increases, including inflation	3.25% to 13.58%	3.25% to 13.58%
COLA or Ad Hoc COLA	2.00%, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement	2.00%, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00% net of system expenses	7.00% net of system expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)	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>	

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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 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%
Proportionate share of the net pension liability	\$14,990,857	\$10,156,759	\$6,084,952

Changes Between the Measurement Date and the Report Date

Governor DeWine signed HB33 in July 2023 authorizing SERS to implement a Contribution Based Benefit Cap beginning August 1, 2024. Any effect on the net pension liability is unknown.

Actuarial Assumptions - STRS

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

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected Salary Increases	From 2.50% to 8.50% based on service	From 2.50% to 8.50% based on age
Investment Rate of Return	7.00% net of investments expense, including inflation	7.00% net of investments expense, including inflation
Discount Rate of Return	7.00%	7.00%
Payroll Increases	3.00%	3.00%
Cost-of-Living Adjustments (COLA)	0.00%	0.00%

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-

Adams County/Ohio Valley School District, Ohio**Notes to the Basic Financial Statements****For the Fiscal Year Ended June 30, 2024**

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:

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

* Final target weights reflected October 1, 2022.

** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25%, and is net of investment expenses. Over a 30-year period, STRS' 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 payment to determine the total pension liability as of June 30, 2023.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	\$54,801,105	\$35,636,536	\$19,428,555

Changes Between the Measurement Date and the Report Date

In March 2024, the STRS Board made the eligibility rule requiring 34 years of service for an unreduced retirement permanent, effective June 1, 2024. Eligibility for a reduced retirement benefit has been lowered from 30 to 29 years of service. The effect of these changes on the net pension liability is currently unknown.

Note 9- Defined Benefit OPEB Plans

See Note 8 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description

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

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

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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 District's surcharge obligation was \$130,349.

The surcharge, added to the allocated portion of the 14.00% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$130,349 for fiscal year 2024.

Plan Description - State Teachers Retirement System (STRS)

Plan Description

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

Funding Policy

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

Net OPEB Liabilities (Assets), OPEB Expense (Income), 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 District's proportion of the net OPEB liability (asset) was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

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Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

	SERS	STRS	Total
Proportionate Share of the Net OPEB Liability	\$3,103,530	\$0	\$3,103,530
Proportionate Share of the Net OPEB (Asset)	0	(3,218,404)	(3,218,404)
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.18838440%	0.16548242%	
Prior Measurement Date	<u>0.18124570%</u>	<u>0.16863169%</u>	
Change in Proportionate Share	0.00713870%	-0.00314927%	
OPEB Expense	(\$248,636)	(\$113,465)	(\$362,101)

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

	SERS	STRS	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$6,466	\$5,017	\$11,483
Changes of assumptions	1,049,395	474,117	1,523,512
Net difference between projected and actual earnings on OPEB plan investments	24,053	5,744	29,797
Changes in employer proportionate share of net OPEB liability	589,341	43,582	632,923
Contributions subsequent to the measurement date	<u>130,349</u>	<u>0</u>	<u>130,349</u>
Total Deferred Outflows of Resources	<u>\$1,799,604</u>	<u>\$528,460</u>	<u>\$2,328,064</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$1,600,606	\$490,892	\$2,091,498
Changes of assumptions	881,432	2,123,458	3,004,890
Changes in employer proportionate share of net OPEB liability	376,554	7,941	384,495
Total Deferred Inflows of Resources	<u>\$2,858,592</u>	<u>\$2,622,291</u>	<u>\$5,480,883</u>

\$130,349 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (adjustment to net OPEB asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year			
Ending June 30:	SERS	STRS	Total
2025	(\$432,481)	(\$916,638)	(\$1,349,119)
2026	(376,501)	(434,374)	(810,875)
2027	(177,962)	(163,464)	(341,426)
2028	(110,714)	(222,377)	(333,091)
2029	(123,978)	(203,654)	(327,632)
Thereafter	<u>32,299</u>	<u>(153,324)</u>	<u>(121,025)</u>
Total	<u>(\$1,189,337)</u>	<u>(\$2,093,831)</u>	<u>(\$3,283,168)</u>

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Actuarial Assumptions - SERS

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

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

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

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

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Inflation	2.40%	2.40%
Future Salary Increases, Including Inflation	3.25% to 13.58%	3.25% to 13.58%
Investment Rate of Return	7.00% net of investment expense	7.00% net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)	Entry Age Normal (Level Percent of Payroll)
Fiduciary Net Position is Projected to be Depleted	2048	2044
Municipal Bond Index Rate:		
Measurement Date	3.86%	3.69%
Prior Measurement Date	3.69%	1.92%
Single Equivalent Interest Rate (SEIR), net of plan investment expense, including price inflation:		
Measurement Date	4.27%	4.08%
Prior Measurement Date	4.08%	2.27%
Health Care Cost Trend Rate	6.75% to 4.40%	7.00% to 4.40%

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

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

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 Estate/Real Assets	17.00%	3.70%
Private Debt/Private Credit	5.00%	5.64%
Total	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2023, was 4.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2023, was 4.08 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022, and the June 30, 2023, total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The

Adams County/Ohio Valley School District, Ohio**Notes to the Basic Financial Statements****For the Fiscal Year Ended June 30, 2024**

Municipal Bond Index Rate was 3.86 percent at June 30, 2023, and 3.69 percent at June 30, 2022.

Sensitivity of the 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%)
Proportionate share of the net OPEB liability	\$3,967,199	\$3,103,530	\$2,422,491
	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%)
Proportionate share of the net OPEB liability	\$2,280,056	\$3,103,530	\$4,194,744

Changes Between Measurement Date and Reporting Date

In September 2023, the SERS Board changed minimum compensation to \$30,000 from \$25,000 for purposes of the surcharge. Any effect on the net OPEB liability is unknown.

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

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

Adams County/Ohio Valley School District, Ohio**Notes to the Basic Financial Statements****For the Fiscal Year Ended June 30, 2024**

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	<u>1.00%</u>	1.00%
Total	<u>100.00%</u>	

* Final target weights reflected at October 1, 2022.

** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25%, 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 actual rate of return, without net value added by management.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 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 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.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net OPEB (asset)	(\$2,723,958)	(\$3,218,404)	(\$3,649,015)
	1% Decrease	Current Trend Rate	1% Increase
Proportionate share of the net OPEB (asset)	(\$3,668,997)	(\$3,218,404)	(\$2,675,674)

Changes Between the Measurement Date and the Reporting date

In March, 2024, the STRS Board made changes to the eligibility for the maximum health care premium subsidy, going into effect initially with the January 2025 benefit. In May, 2024, the Board aligned the eligibility for the health care premium subsidy with the changes to pension eligibility made in March 2024. The effect on the net OPEB liability (asset) is unknown at this time.

Note 10 - Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from board approved contracts and State laws. Eligible classified employees earn ten to twenty-five days of vacation per fiscal year, depending upon length of service. Up to two years' accumulated, unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 215 days for administrators. One third of each administrator's accumulated sick leave over 200 days shall be paid out at the end of each fiscal year. Classified personnel may accumulate up to a maximum of 200 days for usage purposes; however, for retirement purposes, they may accumulate up to a maximum of 210 days. Certified personnel may accumulate up to a maximum of 300 days for usages; however, for retirement purposes, they may accumulate an unlimited number of days. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum payment of 50 days for administrators and 65 days for classified employees. The District offers a super-severance provision for employees who retire in their first year of eligibility. Under this policy, payment is made for one-half of the accumulated sick leave credit up to a maximum of 100 days.

Teachers, administrators, and classified personnel earn three days of personal leave per school year. Unused days are paid in July of each year, at the rate of \$150 per day for teachers and administrators. Classified personnel are paid at the rate of \$125 per day for unused days in July each year.

Insurance Benefits

The District provides life insurance and accidental death and dismemberment insurance to all employees through Mutual of Omaha. The District has elected to provide medical/surgical, dental and vision benefits through Anthem Blue Cross and Blue Shield. Effective with the 2023-2024 fiscal year, teachers and administrators agreed to contribute 15.6% of the monthly medical premium and 14% of the monthly dental and vision premiums with the Board of Education also assuming 84.4% of the monthly medical premium and 86% of the monthly dental and vision premiums. Effective with the 2023-2024 school year, all classified staff agreed to contribute 12% of the monthly premium and the Board of Education will

Adams County/Ohio Valley School District, Ohio**Notes to the Basic Financial Statements****For the Fiscal Year Ended June 30, 2024**

assume the remaining 88% of the expense. In addition to these percentages, all employees of the district have agreed to share in any premium increases over five percent; the additional increase above the five percent will be equally split or shared between the Board of Education and the employees.

Perfect/Excellent Attendance Incentive

Bonus checks are issued to employees who have perfect or excellent attendance in any full work year (July 1- June 30).

Classified employees shall be credited with a four hundred dollar (\$400) attendance incentive for the first semester. For each occurrence of either sick leave or unpaid leave (per current language and application) the incentive shall be decreased in the amount of one hundred dollars (\$100). At the end of the semester, the employee will be entitled to any remaining funds, which shall be paid in the second pay of January. Each employee shall be credited with a four hundred dollar (\$400) attendance incentive for the second semester. For each occurrence of either sick leave or unpaid leave (per current language and application) the incentive shall be decreased in the amount of one hundred dollars (\$100). At the end of the semester, the employee will be entitled to any remaining funds, which shall be paid in the second pay of June.

Teachers with perfect attendance receive a bonus of \$500 for the first semester. For each occurrence of either sick leave or unpaid leave (per current language and application) the incentive shall be decreased in the amount of one hundred and twenty five dollars (\$125). At the end of the semester, the teacher will be entitled to any remaining funds, which shall be paid in the second pay of January. Each teacher shall be credited with a six hundred dollar (\$600) attendance incentive for the second semester. For each occurrence of either sick leave or unpaid leave (per current language and application) the incentive shall be decreased in the amount of one hundred and fifty dollars (\$150). At the end of the semester, the teacher will be entitled to any remaining funds, which shall be paid in the second pay of June.

Note 11 - Long-Term Obligations

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

	Beginning Balance	Additions	Deductions	Ending Balance	Due In One Year
Governmental Activities:					
HB264 Bonds, Series 2014	\$1,264,276	\$0	\$195,209	\$1,069,067	\$201,162
2015 Refunding of 2007 School Improvements Bonds	5,655,000	0	0	5,655,000	0
Premium on 2015 Refunding of School Improvement Bonds	428,698	0	38,972	389,726	0
2019 Farm Purchase	390,000	0	97,500	292,500	97,500
2021 Refunding of 2013 Refunding of 2007 Bonds	5,146,000	0	846,000	4,300,000	844,000
Subtotal Bonds	12,883,974	0	1,177,681	11,706,293	1,142,662
Compensated Absences	1,233,656	301,309	49,870	1,485,095	49,670
Subtotal Bonds & Other Amounts	14,117,630	301,309	1,227,551	13,191,388	1,192,332
Net Pension Liability	47,097,337	0	1,304,042	45,793,295	0
Net OPEB Liability	2,544,709	558,821	0	3,103,530	0
Total Long-Term Obligations	\$63,759,676	\$860,130	\$2,531,593	\$62,088,213	\$1,192,332

Manchester Local School District assumed \$16,801,260 of the outstanding bond amount as of July 1, 2004. The bonds will be retired from the Debt Service Fund.

Compensated absences will be paid from the Termination Benefits Fund and Food Service Funds.

Adams County/Ohio Valley School District, Ohio**Notes to the Basic Financial Statements****For the Fiscal Year Ended June 30, 2024**

There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from the fund benefitting from their service.

Principal requirements to retire general obligation debt at June 30, 2024, are as follows:

2021 Refunding of 2013 Refunding of 2007 School Improvement Bonds

Fiscal year	Principal	Interest	Total
Ending June 30,			
2025	\$844,000	\$47,312	\$891,312
2026	847,000	36,996	883,996
2027	857,000	26,602	883,602
2028	876,000	16,031	892,031
2029	876,000	5,344	881,344
Total	<u><u>\$4,300,000</u></u>	<u><u>\$132,285</u></u>	<u><u>\$4,432,285</u></u>

HB264 Bonds, Series 2014

Fiscal year	Principal	Interest	Total
Ending June 30,			
2025	\$201,162	\$29,539	\$230,701
2026	207,298	23,310	230,608
2027	213,621	16,891	230,512
2028	220,136	10,276	230,412
2029	226,850	3,459	230,309
Total	<u><u>\$1,069,067</u></u>	<u><u>\$83,475</u></u>	<u><u>\$1,152,542</u></u>

2015 Refunding of 2007 School Improvement Bonds

Fiscal year	Principal	Interest	Total
Ending June 30,			
2025	\$0	\$226,200	\$226,200
2026	0	226,200	226,200
2027	0	226,200	226,200
2028	0	226,200	226,200
2029	0	226,200	226,200
2030-2034	5,655,000	595,700	6,250,700
Total	<u><u>\$5,655,000</u></u>	<u><u>\$1,726,700</u></u>	<u><u>\$7,381,700</u></u>

2019 Farm Purchase

Fiscal year	Principal	Interest	Total
Ending June 30,			
2025	\$97,500	\$0	\$97,500
2026	97,500	0	97,500
2027	97,500	0	97,500
Total	<u><u>\$292,500</u></u>	<u><u>\$0</u></u>	<u><u>\$292,500</u></u>

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Note 12 - Interfund Activity

Interfund transactions at June 30, 2024, consisted of the following individual interfund receivables, interfund payables, transfers in and transfers out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$1,551,460	\$0	\$0	\$321,320
Debt Service	0	0	210,320	0
Other Governmental Funds	0	1,551,460	111,000	0
Total All Funds	<u>\$1,551,460</u>	<u>\$1,551,460</u>	<u>\$321,320</u>	<u>\$321,320</u>

Interfund balances/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization; to segregate and to return money to the fund from which it was originally provided once a project is completed. All interfund payables are expected to be repaid during the next fiscal year. The above interfund transactions comply with the requirements of the Ohio Revised Code.

Note 13 - Jointly Governed Organizations

HCC

Hamilton Clermont Cooperative Information Technology Center (HCC) is an educational solutions partner providing services across Ohio. HCC provides cost-effective fiscal, network, technology and student services, a purchasing cooperative, and other individual services based on each client's needs. The governing board of HCC consists of a president, vice president and six board members who represent the members of HCC. The Board works with HCC's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. Financial information can be obtained from the Chief Financial Officer.

Hopewell Special Education Regional Resource Center

The Hopewell Special Education Regional Resource Center (Hopewell) is a jointly governed organization created by the Ohio Department of Education at the request of the participating school districts to offer direct and related services to low incidence handicapped students of the region. Local, city, and exempted village school districts receive services from Hopewell. Hopewell is operated under regulations and policies established by the Ohio Department of Education, and its own advisory board. The advisory board is made up of superintendents from the school districts or their designee, plus a representative from the Southern Ohio Educational Service Center, a representative from the board of mental retardation and developmental disabilities, two joint vocational school superintendents and five parents of handicapped children living in the region. The Southern Ohio Educational Service Center acts as fiscal agent. Hopewell receives funding from the contracts with each of the member school districts and federal and State grants. To obtain financial information, write to Hopewell at the Southern Ohio Educational Service Center, 3321 Airborne Drive, Wilmington, Ohio, 45177.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Southwestern Ohio Educational Purchasing Council

The District participates in the Southwestern Ohio Educational Purchasing Council (SOEPC), a purchasing council made up of nearly 100 school districts in 12 counties. The purpose of the SOEPC is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC. Each member district has one voting representative. Any district withdrawing from the SOEPC forfeits its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations during the one year period. Payments to SOEPC are made from the General Fund. To obtain financial information, write to the Director at Southwestern Ohio Educational Purchasing Council, 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

Note 14 - Set-Aside Calculations and Fund Reserves

The 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 textbooks and capital acquisition. Disclosure of this information is required by State statute.

	Capital Acquisition
Set Aside Reserve Balance as of June 30, 2023	\$0
Current Year Set Aside Requirements	734,816
Qualified Disbursements	0
Current Year Offsets	<u>(734,816)</u>
Set Aside Reserve Balance as of June 30, 2024	<u><u>\$0</u></u>
Restricted Cash as of June 30, 2024	<u><u>\$0</u></u>
Carried Forward to FY 2025	

Offset credits for capital activity during the year exceeded the amounts required for the set aside, resulting in offset credits of \$14,077,848 available for carryover to offset capital acquisition requirements of future years.

Note 15 – Contingencies

Foundation Funding

District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2024 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2024 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Grants

The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, 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.

Litigation

The District is not involved in any litigation as of June 30, 2024.

Note 16 – Accountability

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

<u>Fund</u>	<u>Deficit</u>
Other Governmental Funds:	
EMIS	\$8,106
Public Preschool	10,550
Title I	15,878
IDEA B	116,765
Title IV-A	28,732
Improving Teacher Quality	3,325
WUHS Title I Non-Competitive Suplimental	55,233

These deficits were created by the recognition of accrued liablities.

Note 17 – Fund Balances

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

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Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

Fund Balances	General	Debt Service	Other	Total
			Governmental Funds	
Nonspendable:				
Unclaimed Monies	\$14,265	\$0	\$0	\$14,265
Prepays	<u>76,508</u>	<u>0</u>	<u>515,450</u>	<u>591,958</u>
Total Nonspendable	<u>90,773</u>	<u>0</u>	<u>515,450</u>	<u>606,223</u>
Restricted for:				
Other Grants	0	0	77,155	77,155
Classroom Facilities Maintenance	0	0	1,160,688	1,160,688
Athletic	0	0	99,465	99,465
Food Service	0	0	136,091	136,091
Special Revenue	0	0	94,442	94,442
Student Activity	0	0	210,532	210,532
Debt Service	<u>0</u>	<u>5,158,318</u>	<u>0</u>	<u>5,158,318</u>
Total Restricted	<u>0</u>	<u>5,158,318</u>	<u>1,778,373</u>	<u>6,936,691</u>
Committed to:				
Permanent Improvements	0	0	1,893,646	1,893,646
Termination Benefits	<u>654,006</u>	<u>0</u>	<u>0</u>	<u>654,006</u>
Total Committed	<u>654,006</u>	<u>0</u>	<u>1,893,646</u>	<u>2,547,652</u>
Assigned to:				
Budgetary Resources	12,396,694	0	0	12,396,694
Encumbrances	1,409,625	0	0	1,409,625
Public Schools	<u>189,821</u>	<u>0</u>	<u>0</u>	<u>189,821</u>
Total Assigned	<u>13,996,140</u>	<u>0</u>	<u>0</u>	<u>13,996,140</u>
Unassigned (Deficit)	<u>10,370,087</u>	<u>0</u>	<u>(241,214)</u>	<u>10,128,873</u>
Total Fund Balance	<u>\$25,111,006</u>	<u>\$5,158,318</u>	<u>\$3,946,255</u>	<u>\$34,215,579</u>

Note 18 – Implementation of New Accounting Principles

New Accounting Principles

For fiscal year 2024, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections; and portions of GASB Statement No. 99, Omnibus 2022.

GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The implementation of GASB Statement No. 100 did not have an effect on the financial statements of the District.

Adams County/Ohio Valley School District, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2024

GASB Statement No. 99 addresses a variety of topics and includes clarification of provisions related to accounting and reporting of leases under GASB Statement No. 87, provides extension of the period which the London Interbank Offered Rate is considered appropriate benchmark interest rate, guidance on disclosure of nonmonetary transaction, accounting for pledges of future revenues when resources are not received by the pledging government under GASB Statement No. 48, and terminology updates related to certain provisions of GASB Statement No. 63 and No. 53. These topics under GASB Statement No. 99 provisions were implemented in a prior year.

Other topics in GASB Statement No. 99 includes classification of other derivative instruments within the scope of GASB Statement No. 53, clarification of provisions related to accounting and reporting of Public-Private and Public-Public Partnerships under GASB Statement No. 94, and clarification of provisions to accounting and reporting of subscription-based information technology arrangements under GASB Statement No. 96. These topics under GASB Statement No. 99 provisions were implemented and did not have an effect on the financial statements of the District.

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REQUIRED **S**UPPLEMENTARY **I**NFORMATION

Adams County/Ohio Valley School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net Pension Liability
 School Employees Retirement System of Ohio
 Last Ten Fiscal Years (1)

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.18381560%	\$10,156,759	\$7,292,450	139.28%	76.06%
2023	0.17767970%	9,610,300	6,637,343	144.79%	75.82%
2022	0.18668540%	6,888,150	6,443,893	106.89%	82.86%
2021	0.16304640%	10,784,232	5,716,050	188.67%	68.55%
2020	0.17156910%	10,265,280	5,885,793	174.41%	70.85%
2019	0.18040110%	10,331,905	5,805,978	177.95%	71.36%
2018	0.16774770%	10,022,555	5,623,914	178.21%	69.50%
2017	0.16708540%	12,229,110	5,189,050	235.67%	62.98%
2016	0.16128860%	9,203,284	5,719,385	160.91%	69.16%
2015	0.15588100%	7,889,049	4,575,354	172.42%	71.70%

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

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
 Required Supplementary Information
 Schedule of the District's Contributions for Net Pension Liability
 School Employees Retirement System of Ohio
 Last Ten Fiscal Years

Year	District's Contractually Required Contribution	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2024	\$1,080,046	(\$1,080,046)	\$0	\$7,714,614	14.00%
2023	1,020,943	(1,020,943)	0	7,292,450	14.00%
2022	929,228	(929,228)	0	6,637,343	14.00%
2021	902,145	(902,145)	0	6,443,893	14.00%
2020	800,247	(800,247)	0	5,716,050	14.00%
2019	794,582	(794,582)	0	5,885,793	13.50%
2018	783,807	(783,807)	0	5,598,621	14.00%
2017	787,348	(787,348)	0	5,623,914	14.00%
2016	726,467	(726,467)	0	5,189,050	14.00%
2015	753,815	(753,815)	0	5,719,385	13.18%

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net Pension Liability
 State Teachers Retirement System of Ohio
 Last Ten Fiscal Years (1)

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.16548242%	\$35,636,536	\$21,420,343	166.37%	80.02%
2023	0.16863169%	37,487,037	22,741,157	164.84%	78.88%
2022	0.16513330%	21,113,777	20,375,657	103.62%	87.78%
2021	0.16321008%	39,491,032	20,241,600	195.10%	75.50%
2020	0.16393621%	36,253,508	19,811,914	182.99%	77.40%
2019	0.16658281%	36,627,820	19,109,571	191.67%	77.30%
2018	0.16193890%	38,468,933	17,080,457	225.22%	75.30%
2017	0.15847894%	53,047,678	16,090,886	329.68%	66.80%
2016	0.15331592%	42,372,036	15,738,007	269.23%	72.10%
2015	0.14893643%	36,226,494	16,387,738	221.06%	74.70%

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

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
 Required Supplementary Information
 Schedule of the District's Contributions for Net Pension Liability
 State Teachers Retirement System of Ohio
 Last Ten Fiscal Years

Year	District's Contractually Required Contribution	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2024	\$3,250,104	(\$3,250,104)	\$0	\$23,215,029	14.00%
2023	2,998,848	(2,998,848)	0	21,420,343	14.00%
2022	3,183,762	(3,183,762)	0	22,741,157	14.00%
2021	2,852,592	(2,852,592)	0	20,375,657	14.00%
2020	2,833,824	(2,833,824)	0	20,241,600	14.00%
2019	2,773,668	(2,773,668)	0	19,811,914	14.00%
2018	2,675,340	(2,675,340)	0	19,109,571	14.00%
2017	2,391,264	(2,391,264)	0	17,080,457	14.00%
2016	2,252,724	(2,252,724)	0	16,090,886	14.00%
2015	2,203,321	(2,203,321)	0	15,738,007	14.00%

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net OPEB Liability
 School Employees Retirement System of Ohio
 Last Eight Fiscal Years (1) (2)

Year	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2024	0.18838440%	\$3,103,530	\$7,292,450	42.56%	30.02%
2023	0.18124570%	2,544,709	6,637,343	38.34%	30.34%
2022	0.19203740%	3,634,465	6,443,893	56.40%	24.08%
2021	0.16679540%	3,625,010	5,716,050	63.42%	18.17%
2020	0.17570890%	4,418,709	5,885,793	75.07%	15.57%
2019	0.18237080%	5,059,459	5,598,621	90.37%	13.57%
2018	0.17026500%	4,569,465	5,623,914	81.25%	12.46%
2017	0.16924714%	4,824,169	5,189,050	92.97%	11.49%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
 Required Supplementary Information
 Schedule of the District's Contributions for Net OPEB Liability
 School Employees Retirement System of Ohio
 Last Nine Fiscal Years (1) (2)

Year	District's Contractually Required Contribution (2)	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2024	\$130,349	(\$130,349)	\$0	\$7,714,614	1.69%
2023	133,600	(133,600)	0	7,292,450	1.83%
2022	116,147	(116,147)	0	6,637,343	1.75%
2021	121,244	(121,244)	0	6,443,893	1.88%
2020	95,813	(95,813)	0	5,716,050	1.68%
2019	136,134	(136,134)	0	5,885,793	2.31%
2018	137,985	(137,985)	0	5,598,621	2.46%
2017	92,983	(92,983)	0	5,623,914	1.65%
2016	76,574	(76,574)	0	5,189,050	1.48%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

(2) Includes surcharge.

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio

Required Supplementary Information

Schedule of the District's Proportionate Share of the Net OPEB (Asset)/Liability

State Teachers Retirement System of Ohio

Last Eight Fiscal Years (1) (2)

Year	District's Proportion of the Net OPEB (Asset)/Liability	District's Proportionate Share of the Net OPEB (Asset)/Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB (Asset)/Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB (Asset)/Liability
2024	0.16548242%	(\$3,218,404)	\$21,420,343	(15.02%)	168.52%
2023	0.16863169%	(4,366,435)	22,741,157	(19.20%)	230.73%
2022	0.16513300%	(3,481,694)	20,375,657	(17.09%)	174.73%
2021	0.16321008%	(2,868,416)	20,241,600	(14.17%)	182.13%
2020	0.16393621%	(2,715,177)	19,811,914	(13.70%)	174.74%
2019	0.16658281%	(2,676,815)	19,109,571	(14.01%)	176.00%
2018	0.16193890%	6,318,258	17,080,457	36.99%	47.10%
2017	0.15847894%	8,475,495	16,090,886	52.67%	37.30%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
 Required Supplementary Information
 Schedule of the District's Contributions for Net OPEB (Asset)/Liability
 State Teachers Retirement System of Ohio
Last Nine Fiscal Years (1)

Year	District's Contractually Required Contribution	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2024	\$0	\$0	\$0	\$23,215,029	0.00%
2023	0	0	0	21,420,343	0.00%
2022	0	0	0	22,741,157	0.00%
2021	0	0	0	20,375,657	0.00%
2020	0	0	0	20,241,600	0.00%
2019	0	0	0	19,811,914	0.00%
2018	0	0	0	19,109,571	0.00%
2017	0	0	0	17,080,457	0.00%
2016	0	0	0	16,090,886	0.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2024

General Fund				
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$11,149,135	\$12,051,311	\$10,302,488	(\$1,748,823)
Tuition and Fees	1,134,924	1,226,761	1,048,740	(178,021)
Investment Earnings	798,978	863,631	738,305	(125,326)
Intergovernmental	38,102,384	41,185,589	35,208,951	(5,976,638)
Other Revenues	62,398	67,448	57,660	(9,788)
Total Revenues	51,247,819	55,394,740	47,356,144	(8,038,596)
Expenditures:				
Current:				
Instruction:				
Regular	15,860,351	21,663,755	18,611,244	3,052,511
Special	7,670,675	10,477,424	9,001,113	1,476,311
Vocational	2,288,629	3,126,054	2,685,580	440,474
Adult/Continuing	434,528	593,524	509,894	83,630
Other	139,183	190,111	163,324	26,787
Support Services:				
Pupil	2,232,910	3,049,946	2,620,196	429,750
Instructional Staff	940,361	1,284,444	1,103,461	180,983
General Administration	78,251	106,883	91,823	15,060
School Administration	4,116,836	5,623,212	4,830,879	792,333
Fiscal	1,235,648	1,687,780	1,449,965	237,815
Business	29,231	39,927	34,301	5,626
Operations and Maintenance	3,211,310	4,386,349	3,768,295	618,054
Pupil Transportation	2,943,339	4,020,325	3,453,845	566,480
Central	138,426	189,077	162,435	26,642
Extracurricular Activities	430,740	588,351	505,450	82,901
Capital Outlay	24,877	33,980	29,192	4,788
Total Expenditures	41,775,295	57,061,142	49,020,997	8,040,145
Excess of Revenues Over (Under) Expenditures	9,472,524	(1,666,402)	(1,664,853)	1,549
Other Financing Sources (Uses):				
Advances In	3,869,096	4,182,179	3,575,283	(606,896)
Advances (Out)	(1,315,232)	(1,796,484)	(1,543,352)	253,132
Transfers In	1,352,724	1,462,185	1,250,000	(212,185)
Transfers (Out)	(1,552,114)	(2,120,043)	(1,821,320)	298,723
Total Other Financing Sources (Uses)	2,354,474	1,727,837	1,460,611	(267,226)
Net Change in Fund Balance	11,826,998	61,435	(204,242)	(265,677)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	17,967,510	17,967,510	17,967,510	0
Fund Balance - End of Year	\$29,794,508	\$18,028,945	\$17,763,268	(\$265,677)

See accompanying notes to the required supplementary information.

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

Note 1 – Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Board. The legal level of control has been established by Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2024.

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

While the District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Combined Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) 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 as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as an assignment of fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

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

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	\$1,436,508
Revenue Accruals	(10,756,503)
Expenditure Accruals	8,876,711
Proceeds of Capital Assets	(8,500)
Transfers In	1,250,000
Transfers (Out)	(1,500,000)
Advances In	3,575,283
Advances (Out)	(1,543,352)
Encumbrances	<u>(1,534,389)</u>
Budget Basis	<u><u>(\$204,242)</u></u>

Note 2 - Net Pension Liability

School Employees Retirement System (SERS)

Changes in Benefit Terms:

2023-2024: There were no changes in benefit terms since the prior measurement period.

2022: Cost of Living Adjustments (COLA) increased from 0.50% to 2.50%.

2020-2021: There were no changes in benefit terms from the amounts reported for this fiscal year.

2019: With the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

2018: SERS changed from a fixed 3.00% annual increase to a Cost of Living Adjustments (COLA) based on the change in the Consumer Price Index Index (CPI-W), with a cap of 2.50% and a floor of 0.00%.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in Assumptions:

2023-2024: The following changes of assumptions affected the total pension liability since the prior measurement date:

(1) Cost of Living Adjustments (COLA) was increased from 2.00% to 2.50% for calendar year 2024.

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

- (1) The assumed rate of inflation was reduced from 3.00% to 2.40%,
- (2) Payroll growth assumption was reduced from 3.50% to 1.75%,
- (3) Assumed real wage growth was increased from 0.50% to 0.85%,
- (4) Cost of Living Adjustments (COLA) was reduced from 2.50% to 2.00%,
- (5) The discount rate was reduced from 7.50% to 7.00%,

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

- (6) Rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and,
- (7) Mortality among active members, service retirees and beneficiaries, and disabled members were updated.

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

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

- (1) The assumed rate of inflation was reduced from 3.25% to 3.00%,
- (2) Payroll growth assumption was reduced from 4.00% to 3.50%,
- (3) Assumed real wage growth was reduced from 0.75% to 0.50%,
- (4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
- (5) Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females,
- (6) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates,
- (7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, and
- (8) The discount rate was reduced from 7.75% to 7.50%.

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

State Teachers Retirement System (STRS)

Changes in Benefit Terms:

2019-2024: There were no changes in benefit terms from the amounts reported for these fiscal years.

2018: STRS decreased the Cost of Living Adjustment (COLA) to zero.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in Assumptions:

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

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

- (1) Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table:
 - a. Adjusted 110.0% for males, projected forward generationally using mortality improvement scale MP-2020
- (2) Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table:
 - a. Adjusted 95.0% for females, projected forward generationally using mortality improvement scale MP-2020
- (3) Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

Table:

- a. Projected forward generationally using mortality improvement scale MP-2020
- (4) Projected salary increases changed from 2.50% to 12.50% to 2.50% to 8.50%

2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7.00% from 7.45%.

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

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

- (1) The long term expected rate of return was reduced from 7.75% to 7.45%,
- (2) The inflation assumption was lowered from 2.75% to 2.50%,
- (3) The payroll growth assumption was lowered to 3.00%,
- (4) Total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation,
- (5) The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016, and
- (6) Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

Note 3 - Net OPEB (Asset)/Liability

School Employees Retirement System (SERS)

Changes in Benefit Terms:

2024: Effective January 1, 2024, the non-Medicare disability health care subsidy amounts will change to reflect amounts equal to that of service retirees by years of service.

2017-2023: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in Assumptions:

2024: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	4.08%
Measurement Date	4.27%
- (2) Municipal Bond Index Rate:

Prior Measurement Date	3.69%
Measurement Date	3.86%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	4.08%
Measurement Date	4.27%
- (4) The assumption for percent of pre-Medicare eligible retirees who choose the Wraparound plan increased from 10% to 20%.

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

- (5) The health care trend assumption on retiree premiums was updated to not apply trend to the \$35 surcharge.
- (6) The morbidity factors were updated based on the Society of Actuaries' June 2013 research report Health Care Costs—From Birth to Death by Dale Yamamoto and from the ASOP 6 practice note developed by the American Academy of Actuaries.
- (7) An assumption was added to assume that 15% of pre-65 retirees who waive will elect coverage upon Medicare eligibility.

2023: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	2.27%
Measurement Date	4.08%
- (2) Municipal Bond Index Rate:

Prior Measurement Date	1.92%
Measurement Date	3.69%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	2.27%
Measurement Date	4.08%
- (4) Health care trend rates were updated.

2022: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	2.63%
Measurement Date	2.27%
- (2) Investment Rate of Return:

Prior Measurement Date	7.50%
Measurement Date	7.00%
- (3) Assumed Rate of Inflation:

Prior Measurement Date	3.00%
Measurement Date	2.40%
- (4) Payroll Growth Assumption:

Prior Measurement Date	3.50%
Measurement Date	1.75%
- (5) Assumed Real Wage Growth:

Prior Measurement Date	0.50%
Measurement Date	0.85%
- (6) Municipal Bond Index Rate:

Prior Measurement Date	2.45%
Measurement Date	1.92%
- (7) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	2.63%
Measurement Date	2.27%
- (8) Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- (9) Rate of health care participation for future retirees and spouses was updated to reflect recent.
- (10) Mortality among active members was updated to the following:
 - a. PUB-2010 General Amount Weighted Below Median Employee mortality table.

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

- (11) Mortality among service retired members was updated to the following:
 - a. PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females.
- (12) Mortality among beneficiaries was updated to the following:
 - a. PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.
- (13) Mortality among disabled member was updated to the following:
 - a. PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.
- (14) Mortality rates are projected using a fully generational projection with Scale MP-2020.

2021: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	3.22%
Measurement Date	2.63%
- (2) Municipal Bond Index Rate:

Prior Measurement Date	3.13%
Measurement Date	2.45%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	3.22%
Measurement Date	2.63%

2020: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	3.70%
Measurement Date	3.22%
- (2) Municipal Bond Index Rate:

Prior Measurement Date	3.62%
Measurement Date	3.13%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	3.70%
Measurement Date	3.22%

2019: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	3.63%
Measurement Date	3.70%
- (2) Municipal Bond Index Rate:

Prior Measurement Date	3.56%
Measurement Date	3.62%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	3.63%
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Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

Measurement Date 3.70%

2018: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:

Fiscal Year 2018	3.63%
Fiscal Year 2017	2.98%

(2) Municipal Bond Index Rate:

Fiscal Year 2018	3.56%
Fiscal Year 2017	2.92%

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

Fiscal Year 2018	3.63%
Fiscal Year 2017	2.98%

2017: The following changes of assumptions affected the total OPEB liability since the prior measurement date:

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

State Teachers Retirement System (STRS)

Changes in Benefit Terms:

2024: Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024. The change in the subsidy percentage and the base amount for all retiree Non-Medicare Eligible (NME) participants, from 2.2% per year in last year's valuation to 2.5% per year, capped at 75%, as well as the unfreezing of the NME subsidy, the removal of the 6% cap on the year over year subsidy increase for Medicare Eligible (ME) participants, the changes in deductible and office visits copays for Aetna's Medicare Advantage plan, and updates in the medical and PBM vendor contracts. In addition, there were benefit changes related to the change in eligibility for unreduced Pension benefits.

2023: Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

2022: The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

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

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.

2019: The subsidy multiplier for non-Medicare benefit recipients was increased from 1.900% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. The Board is extending the current Medicare Part B partial reimbursement program for one year. Under this program, benefit recipients currently enrolled in the STRS Ohio Health Care Program and Medicare Part B receive \$29.90 per month to reimburse a portion of the Medicare Part B premium. The reimbursement was set to be reduced to \$0 beginning January 1, 2020. This impacts about 85,000 benefit recipients.

2018: The subsidy multiplier for non-Medicare benefit recipients was reduced from 2.10% to 1.90% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2019.

2017: There were no changes in benefit terms from the amounts reported for this fiscal year.

Changes in Assumptions:

2024: Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024. The change in the subsidy percentage and the base amount for all retiree Non-Medicare Eligible (NME) participants, from 2.2% per year in last year's valuation to 2.5% per year, capped at 75%, as well as the unfreezing of the NME subsidy, the removal of the 6% cap on the year over year subsidy increase for Medicare Eligible (ME) participants, the changes in deductible and office visits copays for Aetna's Medicare Advantage plan, and updates in the medical and PBM vendor contracts. In addition, there were benefit changes related to the change in eligibility for unreduced Pension benefits.

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

2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7.00% from 7.45%.

Adams County/Ohio Valley School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2024

2021: There were changes in assumptions during the measurement year, which decreased the total OPEB liability by approximately \$0.26 billion. The assumption changes included changes in healthcare costs and trends.

2020: There were changes in assumptions during the measurement year, which increased the total OPEB liability by approximately \$0.04 billion. The assumption changes included changes in healthcare costs and trends.

2019: The discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Valuation year per capita health care costs were updated.

2018: The discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

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

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**ADAMS COUNTY OHIO VALLEY LOCAL SCHOOL DISTRICT
ADAMS COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed Through Ohio Department of Education:</i>			
Child Nutrition Cluster:			
National School Lunch Program:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	3L60	\$152,399
Cash Assistance:			
National School Lunch Program	10.555	3L60	1,072,923
COVID-19 National School Lunch Program	10.555	3L60	94,377
Total National School Lunch Program			<u>1,319,699</u>
School Breakfast Program:			
School Breakfast Program	10.553	3L70	416,082
Total Child Nutrition Cluster			<u>1,735,781</u>
COVID-19 Pandemic EBT Administrative Costs Grant	10.649	3HFO	3,135
<i>Passed Through Ohio Department of Education:</i>			
Child Nutrition Discretionary Grants Limited Availability	10.579	3670	260,071
Total U.S. Department of Agriculture			<u>1,998,987</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Passed Through Ohio Department of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027	3M20	965,417
Special Education - Preschool Grants	84.173	3C50	21,385
Total Special Education Cluster			<u>986,802</u>
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	3HS0	560,613
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	3HS0	4,209,057
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth	84.425W	3HZ0	29,825
Total Elementary and Secondary School Emergency Relief Fund			<u>4,799,495</u>
Title I Grants to Local Educational Agencies	84.010	3M00	2,002,777
Career and Technical Education - Basic Grants to States	84.048	3Y20	136,316
Supporting Effective Instruction State Grants	84.367	3Y60	212,132
Rural Education	84.358	3Y80	113,825
Student Support and Academic Enrichment Program	84.424	3H10	<u>177,093</u>
Total U.S. Department of Education			<u>8,428,440</u>
<u>U.S. DEPARTMENT OF THE TREASURY</u>			
<i>Passed Through Ohio Facilities Construction Commission:</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	5CV3	<u>639,786</u>
Total U.S. Department of the Treasury			<u>639,786</u>
Total Expenditures of Federal Awards			<u>\$11,067,213</u>

See accompanying notes to the schedule of expenditures of federal awards.

**Adams County / Ohio Valley Local School District
Adams County**

*Notes to the Schedule of Expenditure of Federal Awards
2 CFR 200.510(b)(6)*

For the Fiscal Year Ended June 30, 2024

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D – CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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



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

Adams County / Ohio Valley Local School District
Adams County
141 Lloyd Rd
West Union, Ohio 45693

To the Board of Education:

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

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

Adams County / Ohio Valley Local School District
Adams County
Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

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

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.

BHM CPA Group

BHM CPA Group Inc.
Portsmouth, Ohio
December 30, 2024



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

Adams County / Ohio Valley Local School District
Adams County
141 Lloyd Rd
West Union, Ohio 45693

To the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, Adams County / Ohio Valley Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 each 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 each 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.

Adams County / Ohio Valley Local School District
Adams County
Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control Over
Compliance Required by the Uniform Guidance
Page 3

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

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

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

BHM CPA Group

BHM CPA Group Inc.
Portsmouth, Ohio
December 30, 2024

**Adams County / Ohio Valley Local School District
Adams County, Ohio**

**Schedule of Findings
2 CFR § 200.515
June 30, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Education Stabilization Fund: ALN 84.425 Special Education Cluster: ALN 84.027, ALN 84.173
(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

**Adams County / Ohio Valley Local School District
Adams County, Ohio**

**Schedule of Findings
2 CFR § 200.515
June 30, 2024**

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

None noted

3. FINDINGS FOR FEDERAL AWARDS

None noted

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OHIO AUDITOR OF STATE KEITH FABER



ADAMS COUNTY/OHIO VALLEY LOCAL SCHOOL DISTRICT

ADAMS 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 6/12/2025

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