



OHIO AUDITOR OF STATE
KEITH FABER



**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY
JUNE 30, 2025**

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OHIO AUDITOR OF STATE KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Williamsburg Local School District, Clermont County, Ohio (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Williamsburg Local School District, Clermont County, Ohio as of June 30, 2025, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 21 to the financial statements, during 2025, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

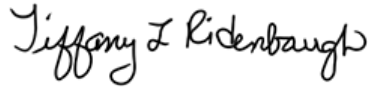
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2026, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink, reading "Tiffany L. Ridenbaugh". The signature is written in a cursive, flowing style.

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

April 15, 2026

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Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

As management of the Williamsburg Local School District (the School District), we offer the readers of the School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the additional information that we have provided in the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the School District exceeded its liabilities and deferred inflows of resources at June 30, 2025 by \$25,506,905.
- The School District's net position increased \$1,456,721 during this fiscal year's operations.
- General revenues accounted for \$12,797,013 or 76 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$4,113,416 or 24 percent of total revenues of \$16,910,429.
- The School District had \$15,453,708 in expenses related to governmental activities; only \$4,113,416 of these expenses were offset by program specific charges for services and sales, grants, contributions and interest.

Using the Basic Financial Statements

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

The statement of net position and the statement of activities provide information about the activities of the School District as a whole and present a longer term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term, as well as what remains for future spending. The fund financial statements also look at the School District's major funds, with all other nonmajor funds presented in total in one column. The major funds of the School District are the general fund, the locally funded initiative, and OFCC construction capital projects funds.

Reporting the School District as a Whole

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2025?" The statement of net position and the statement of activities, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These government-wide financial statements include all assets, liabilities, and deferred inflows/outflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

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

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Unaudited

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

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

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for the fiscal years ending June 30, 2025 and 2024:

(Table 1) Net Position Governmental Activities		
	2025	2024
Assets		
Current and Other Assets	\$45,616,666	\$47,001,802
Capital Assets, Net	18,616,337	14,510,597
Total Assets	64,233,003	61,512,399
Deferred Outflows of Resources	3,130,129	3,587,968
Liabilities		
Current and Other Liabilities	3,511,535	1,601,336
Long-Term Liabilities	32,681,714	35,338,701
Total Liabilities	36,193,249	36,940,037
Deferred Inflows of Resources	5,662,978	5,013,633
Net Position		
Net Investment in Capital Assets	10,795,421	11,848,495
Restricted	17,200,695	15,001,585
Unrestricted (Deficit)	(2,489,211)	(3,703,383)
Total Net Position	\$25,506,905	\$23,146,697

Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Current and other assets decreased between years, due primarily to cash and cash equivalents and intergovernmental receivable. Cash and cash equivalents decreased as a result of use of some of the unspent proceeds of the \$19,000,000 certificates of participation issued during the prior fiscal year. Intergovernmental receivables decreased due to spending of monies due to a classroom facilities project. Capital assets, net increased between years, due to additions in excess of depreciation/amortization expense and disposals. Deferred outflows decreased between years, related to the change in proportionate share of the state-wide net pension and OPEB liabilities. Current and other liabilities increased between years due to contracts and retainage payable recognized for the elementary school project. Long-term liabilities decreased between years, due primarily to principal payments and a decrease in the School District's proportionate share of the state-wide net pension and OPEB liabilities. Deferred inflows increased between years, related to the change in proportionate share of the state-wide net pension and OPEB liabilities (assets).

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

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

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Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Table 2
Change in Net Position
Governmental Activities

	2025	2024
Revenues		
Program Revenues		
Charges for Services and Sales	\$850,653	\$857,763
Operating Grants, Contributions, and Interest	1,398,535	3,087,314
Capital Grants, Contributions, and Interest	1,864,228	960,385
Total Program Revenues	4,113,416	4,905,462
General Revenues		
Property Taxes	4,122,045	4,450,015
Payments in Lieu of Taxes	1,306,458	778,799
Grants and Entitlements not Restricted to Specific Programs	6,798,587	6,728,206
Grants and Entitlements Restricted to Construction Programs	0	12,395,162
Investment Earnings	341,638	423,517
Miscellaneous	228,285	312,513
Total General Revenues	12,797,013	25,088,212
Total Revenues	16,910,429	29,993,674
Program Expenses		
Instruction		
Regular	5,860,541	5,816,661
Special	2,400,740	2,196,862
Vocational	27,663	19,363
Support Services		
Pupils	621,157	641,502
Instructional Staff	327,215	301,517
Board of Education	42,518	44,700
Administration	1,056,972	1,002,587
Fiscal	426,765	416,268
Business	0	2,199
Operation and Maintenance of Plant	1,733,099	1,488,097
Pupil Transportation	723,442	676,893
Central	259,883	233,833
Operation of Non-Instructional Services	188,396	227,630
Extracurricular Activities	811,891	805,939
Interest	973,426	218,821
Issuance Costs	0	348,990
Total Expenses	15,453,708	14,441,862
Change in Net Position	1,456,721	15,551,812
Net Position at Beginning of Year, As Previously Reported	23,146,697	7,594,885
Adjustment for Implementation of GASB 101	903,487	0
Net Position at Beginning of Year, As Adjusted	24,050,184	7,594,885
Net Position at Ending of Year	\$25,506,905	\$23,146,697

Williamsburg Local School District
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Unaudited

Capital grants and contributions increased between years due to a donation received for preschool capital projects related to the local funded initiative. Operating grants and contributions decreased between years due to the timing of grant revenues. Unrestricted grants and entitlements remained relatively consistent. Grants and Entitlements Restricted to Construction Programs decreased due a grant award recognized for a classroom facilities project in the prior fiscal year. Payments in lieu of taxes increased due to monies received from Nestle Purina. Investment earnings decreased due to a reduction in cash and investments due to expenses for capital projects.

The School District experienced an increase in special instruction expenses, as well as operation and maintenance of plant support service expense, due to increased costs during the year. Interest costs increased due to debt service obligations for the School District's certificates of participation.

Governmental Activities

Grants and entitlements not restricted to specific programs made up 40 percent of total revenues for governmental activities of the School District for fiscal year 2025. Property taxes made up 24 percent of total revenues for governmental activities for a total of 64 percent of total revenues coming from property taxes and grants and entitlements not restricted to specific programs. Charges for services and sales and operating grants and contributions also comprised 5 percent and 8 percent, respectively. Capital grants and contributions comprised 11 percent.

Instruction comprises 54 percent of governmental program expenses, with regular instruction and special instruction comprising 38 percent and 16 percent, respectively, of program expenses. Support services expenses make up 34 percent of governmental program expenses.

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

(Table 3)
Governmental Activities

	Total Cost of Services 2025	Net Cost of Services 2025	Total Cost of Services 2024	Net Cost of Services 2024
Instruction	\$8,288,944	\$6,936,836	\$8,032,886	\$5,797,192
Support Services	5,191,051	2,958,961	4,807,596	2,862,809
Operation of Non-Instructional Services	188,396	26,583	227,630	7,479
Extracurricular Activities	811,891	444,486	805,939	301,109
Interest	973,426	973,426	218,821	218,821
Issuance Costs	0	0	348,990	348,990
Total Expenses	\$15,453,708	\$11,340,292	\$14,441,862	\$9,536,400

The School District's Funds

Governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$19,645,099 and expenditures and other financing uses of \$22,781,213. The net change in fund balance for the fiscal year was most significant in the locally funded initiative fund with a decrease of \$3,192,520 due to expenditures on capital projects. The general fund balance decreased

Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

\$728,705, which is primarily due to increased costs for regular and special instruction. The fund balance of the OFCC construction fund increased \$389,075 due to an increase in interest earned.

General Fund - Budget Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. During the course of fiscal year 2025, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures.

The School District's ending unobligated cash balance was \$74,769 above the final budgeted amount in the general fund.

For the general fund, original budgeted revenues and other financing sources were \$14,889,235 and final budgeted revenues and other financing sources were \$14,660,878. This represents a decrease in estimated revenue of \$228,357 due largely to a decrease in payments in expected intergovernmental revenue. The difference between actual budget basis revenues and final budget basis revenues was \$29,689, due to interest revenues being higher than expected.

Original budgeted expenditures and other financing uses in the general fund were \$14,119,003 and final budgeted expenditures and other financing uses were \$15,213,862. This represents an increase in estimated expenditures and other financing uses of \$1,094,859. This difference was due to increases in special instruction, pupils, and operation and maintenance of plant.

Capital Assets and Debt Administration

Capital Assets

The School District's investment in capital assets as of June 30, 2025 was \$18,616,337. This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, furniture, fixtures, equipment, vehicles, and intangible right to use leased assets. Table 4 shows fiscal year 2025 balances compared to fiscal year 2024:

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

	2025	2024
Land	\$830,100	\$830,100
Construction in Progress	4,230,056	0
Land Improvements	1,792,666	1,740,381
Buildings and Improvements	10,671,371	10,770,866
Furniture, Fixtures and Equipment	687,981	683,714
Vehicles	368,565	433,508
Intangible Right to Use Leased Assets	35,598	52,028
Totals	<u>\$18,616,337</u>	<u>\$14,510,597</u>

Net capital assets increased \$4,105,740 from the prior fiscal year. This was due to capital assets additions in excess of depreciation/amortization expense and disposals.

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

Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Debt

At June 30, 2025, the School District had \$1,150,000 in a financed purchase agreement outstanding with \$180,000 due within one year, and \$20,230,193 in certificates of participations outstanding with \$5,000 due within one year. The School District also had \$37,922 in leases payable with \$17,056 due within one year. Table 5 summarizes the long-term debt outstanding:

(Table 5)
Outstanding Debt at June 30
Governmental Activities

	2025	2024
Financed Purchase Agreement	\$1,150,000	\$1,330,000
Leases Payable	37,922	54,316
Certificates of Participation	20,230,193	20,277,786
Totals	<u>\$21,418,115</u>	<u>\$21,662,102</u>

The School District's overall legal debt margin was \$16,959,838 with an unvoted debt margin of \$188,443 at June 30, 2025.

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

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

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

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

School District Challenges for the Future

The Williamsburg Local Schools Board of Education is committed to academic excellence and sound fiscal stewardship. In fiscal year 2025, the School District received 53% of general fund operating revenues from state sources, with the balance coming from local real estate taxes, PUPP, and other local sources. The School District relies heavily on state and local funding to operate. The following items below may affect the School District's finances in the near future:

- **Local Tax Growth:** With the passage of HB 186, the district may see a decrease in expected future property taxes. The true impacts have not been determined at this time.
- **Enrollment Growth:** Williamsburg Local Schools have a strong reputation in the region and consistently have a waiting list of parents wanting to educate their children in our School District via open enrollment. We net approximately 100 students per year through open enrollment, which allows the School District to gain additional revenue and fully absorb the cost of our staff and operational costs. This also provides flexibility for future growth, allowing the School District to fill those open seats with open enrollment today and open them up to resident students in the future. This occurred at the start of fiscal year 2025 as resident enrollment increased with the advent of some new build housing, and the School District had to meter back open enrollment. It should be noted, at the time of this report Ryan Homes is negotiating with the Village of

Williamsburg Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Williamsburg to develop a 256 home subdivision, which would result in a substantial increase in students.

- **Economic Development:** In 2016 when the Clermont County Community Improvement Corporation purchased 242 acres of land within our School District boundaries to be developed as the South Afton Industrial Park. Since then, the Park has become home to a large distribution center and a state-of-the-art manufacturing plant for Nestle-Purina Petcare. The PILOT and TIF proceeds from this development are being set-aside for use on large scale capital projects within the District. Those revenues funded a new roof on our Middle/High School, and as Purina becomes fully operational the District intends to use those PILOT revenues to fund the local share (32%, with the State OFCC funding 68%) of a new Williamsburg Elementary School, replacing our current 60-year-old building. While these funds are not being used for General Fund operational needs of the District, they are crucial to sustaining academic excellence without placing undue burden on our taxpayers.
- **Emergency Operating Levy:** In 2009 the District passed an Emergency Operating Levy generating \$996,826 annually, for a period of five years. That levy was subsequently renewed in 2013 and 2018. This levy accounts for 7.5% of the District's overall general fund revenue. In November 2023 the District sought to replace that levy with a continuing Substitute Levy, but that levy failed. The Board subsequently decided to place another renewal of the existing Emergency Levy on the Primary Ballot in March 2024 and it overwhelmingly passed with 61.6% of the vote. The School District greatly appreciates our community's generous financial support, looking in this crucial revenue stream for another five years.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Alleyn Unversaw, Treasurer, at Williamsburg Local School District, 331 West Main Street, Williamsburg, Ohio 45176, or email at unversaw_a@burgschools.org.

Williamsburg Local School District
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$28,187,080
Accrued Interest Receivable	12,178
Accounts Receivable	51,873
Intergovernmental Receivable	11,891,819
Property Taxes Receivable	4,609,959
Restricted Cash and Cash Equivalents	124,647
Net OPEB Asset	739,110
Nondepreciable Capital Assets	5,060,156
Depreciable Capital Assets, Net	<u>13,556,181</u>
<i>Total Assets</i>	64,233,003
Deferred Outflows of Resources	
Pension	2,512,245
OPEB	<u>617,884</u>
<i>Total Deferred Outflows of Resources</i>	3,130,129
Liabilities	
Accounts Payable	72,634
Accrued Wages and Benefits	1,148,027
Contracts Payable	1,841,853
Intergovernmental Payable	281,742
Accrued Interest Payable	42,632
Retainage Payable	124,647
Long-Term Liabilities:	
Due Within One Year	515,599
Due in More Than One Year	21,495,919
Net Pension Liability	10,136,889
Net OPEB Liability	<u>533,307</u>
<i>Total Liabilities</i>	36,193,249
Deferred Inflows of Resources	
Property Taxes Not Levied to Finance Current Year Operations	3,147,242
Pension	1,189,378
OPEB	<u>1,326,358</u>
<i>Total Deferred Inflows of Resources</i>	5,662,978
Net Position	
Net Investment in Capital Assets	10,795,421
Restricted For:	
Capital Outlay	16,361,391
Other Purposes	428,974
Net OPEB Asset	410,330
Unrestricted (Deficit)	<u>(2,489,211)</u>
<i>Total Net Position</i>	<u><u>\$25,506,905</u></u>

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2025

	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Charges for	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	
Expenses	Services and Sales			Governmental Activities
Governmental Activities				
Instruction				
Regular	\$5,860,541	\$299,098	\$9,940	\$0
Special	2,400,740	44,845	990,234	0
Vocational	27,663	5,000	2,991	0
Support Services				
Pupils	621,157	0	278,621	0
Instructional Staff	327,215	12,758	35,604	0
Board of Education	42,518	0	0	0
Administration	1,056,972	12,275	8,906	0
Fiscal	426,765	0	0	0
Operation and Maintenance of Plant	1,733,099	11,424	8,274	1,864,228
Pupil Transportation	723,442	0	0	0
Central	259,883	0	0	0
Operation of Non-Instructional Services	188,396	161,813	0	0
Extracurricular Activities	811,891	303,440	63,965	0
Debt Service:				
Interest	973,426	0	0	0
<i>Total Governmental Activities</i>	<u>\$15,453,708</u>	<u>\$850,653</u>	<u>\$1,398,535</u>	<u>\$1,864,228</u>
General Revenues				
Property Taxes Levied for General Purposes				4,122,045
Payments in Lieu of Taxes				1,306,458
Grants and Entitlements not Restricted to Specific Programs				6,798,587
Investment Earnings				341,638
Miscellaneous				228,285
<i>Total General Revenues</i>				<u>12,797,013</u>
<i>Change in Net Position</i>				1,456,721
<i>Net Position Beginning of Year, As Previously Reported</i>				23,146,697
<i>Adjustment for Implementation of GASB 101</i>				903,487
<i>Net Position Beginning of Year, As Adjusted</i>				<u>24,050,184</u>
<i>Net Position End of Year</i>				<u>\$25,506,905</u>

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Locally Funded Initiative Fund	OFCC Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$4,551,238	\$13,431,235	\$6,365,869	\$3,838,738	\$28,187,080
Accrued Interest Receivable	12,178	0	0	0	12,178
Accounts Receivable	51,873	0	0	0	51,873
Interfund Receivable	18,255	0	0	0	18,255
Intergovernmental Receivable	10,115	0	11,881,704	0	11,891,819
Property Taxes Receivable	4,609,959	0	0	0	4,609,959
Restricted Cash and Cash Equivalents	0	124,647	0	0	124,647
<i>Total Assets</i>	<i>\$9,253,618</i>	<i>\$13,555,882</i>	<i>\$18,247,573</i>	<i>\$3,838,738</i>	<i>\$44,895,811</i>
Liabilities					
Accounts Payable	\$67,713	\$0	\$0	\$4,921	\$72,634
Accrued Wages and Benefits	1,115,979	0	0	32,048	1,148,027
Contracts Payable	0	1,579,535	140,683	121,635	1,841,853
Interfund Payable	0	0	0	18,255	18,255
Intergovernmental Payable	242,225	0	0	39,517	281,742
Retainage Payable	0	124,647	0	0	124,647
<i>Total Liabilities</i>	<i>1,425,917</i>	<i>1,704,182</i>	<i>140,683</i>	<i>216,376</i>	<i>3,487,158</i>
Deferred Inflows of Resources					
Property Taxes not Levied to Finance Current Year Operations	3,147,242	0	0	0	3,147,242
Unavailable Revenue:					
Property Taxes	55,843	0	0	0	55,843
Grants	0	0	11,825,481	0	11,825,481
<i>Total Unavailable Revenue</i>	<i>55,843</i>	<i>0</i>	<i>11,825,481</i>	<i>0</i>	<i>11,881,324</i>
<i>Total Deferred Inflows of Resources</i>	<i>3,203,085</i>	<i>0</i>	<i>11,825,481</i>	<i>0</i>	<i>15,028,566</i>
Fund Balances					
Restricted	0	11,851,700	6,281,409	428,974	18,562,083
Committed	241,061	0	0	3,251,519	3,492,580
Assigned	322,475	0	0	0	322,475
Unassigned (Deficit)	4,061,080	0	0	(58,131)	4,002,949
<i>Total Fund Balances</i>	<i>4,624,616</i>	<i>11,851,700</i>	<i>6,281,409</i>	<i>3,622,362</i>	<i>26,380,087</i>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<i>\$9,253,618</i>	<i>\$13,555,882</i>	<i>\$18,247,573</i>	<i>\$3,838,738</i>	<i>\$44,895,811</i>

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2025

Total Governmental Fund Balances	\$26,380,087
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	18,616,337
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Some of the School District's revenues will be collected after fiscal year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Property taxes	55,843	
Intergovernmental	11,825,481	11,881,324

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

Deferred outflows-pension	2,512,245	
Deferred outflows-OPEB	617,884	
Deferred inflows-pension	(1,189,378)	
Deferred inflows-OPEB	(1,326,358)	
Net pension liability	(10,136,889)	
Net OPEB asset	739,110	
Net OPEB liability	(533,307)	(9,316,693)

In the statement of activities, interest is accrued on outstanding bonds and financed purchase agreements, whereas in governmental funds, as interest expenditure is reported when due.	(42,632)
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Financed purchase agreement	(1,150,000)	
Certificates of participation	(18,995,000)	
Premiums on certificates of participation	(1,235,193)	
Lease payable	(37,922)	
Compensated absences	(593,403)	(22,011,518)

Net Position of Governmental Activities	\$25,506,905
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See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

	General Fund	Locally Funded Initiative Fund	OFCC Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$4,121,579	\$0	\$0	\$0	\$4,121,579
Intergovernmental	7,720,146	0	569,681	461,523	8,751,350
Interest	312,995	697,368	295,415	52,481	1,358,259
Change in Fair Value	28,643	0	0	0	28,643
Tuition and Fees	356,701	0	0	0	356,701
Rent	5,284	0	0	0	5,284
Extracurricular Activities	31,848	0	0	269,312	301,160
Gifts and Donations	23,108	800,000	0	72,791	895,899
Customer Sales and Services	0	0	0	202,371	202,371
Payments in Lieu of Taxes	1,306,458	0	0	0	1,306,458
Miscellaneous	217,920	1,042	0	9,323	228,285
<i>Total Revenues</i>	14,124,682	1,498,410	865,096	1,067,801	17,555,989
Expenditures					
Current					
Instruction					
Regular	5,743,634	0	0	25,983	5,769,617
Special	2,186,882	0	0	309,534	2,496,416
Vocational	6,028	0	0	21,885	27,913
Support Services					
Pupils	599,640	0	0	52,702	652,342
Instructional Staff	158,932	0	0	146,248	305,180
Board of Education	43,508	0	0	0	43,508
Administration	1,107,403	0	0	0	1,107,403
Fiscal	436,418	0	0	0	436,418
Operation and Maintenance of Plant	1,455,433	0	0	211,673	1,667,106
Pupil Transportation	662,204	0	0	0	662,204
Central	275,175	0	0	2,271	277,446
Operation of Non-Instructional Services	17,626	0	0	166,725	184,351
Extracurricular Activities	43,399	0	0	716,351	759,750
Capital Outlay	8,885	3,728,639	476,021	724,955	4,938,500
Debt Service					
Principal	16,394	0	0	185,000	201,394
Interest	2,716	962,291	0	197,548	1,162,555
<i>Total Expenditures</i>	12,764,277	4,690,930	476,021	2,760,875	20,692,103
<i>Excess of Revenues Over (Under) Expenditures</i>	1,360,405	(3,192,520)	389,075	(1,693,074)	(3,136,114)
Other Financing Sources (Uses)					
Transfers In	0	0	0	2,089,110	2,089,110
Transfers Out	(2,089,110)	0	0	0	(2,089,110)
<i>Total Other Financing Sources (Uses)</i>	(2,089,110)	0	0	2,089,110	0
<i>Net Change in Fund Balances</i>	(728,705)	(3,192,520)	389,075	396,036	(3,136,114)
<i>Fund Balances Beginning of Year</i>	5,353,321	15,044,220	5,892,334	3,226,326	29,516,201
<i>Fund Balances End of Year</i>	\$4,624,616	\$11,851,700	\$6,281,409	\$3,622,362	\$26,380,087

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2025*

Net Change in Fund Balances - Total Governmental Funds	(\$3,136,114)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital asset additions	4,938,500	
Depreciation/Amortization expense	(832,760)	4,105,740

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

Delinquent property taxes	466	
Intergovernmental	(631,163)	
Charges for Services	(14,863)	(645,560)

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

Pension	1,128,989	
OPEB	39,143	1,168,132

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

Pension	(718,476)	
OPEB	212,356	(506,120)

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

Amortization of bond premium	42,593
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Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current fiscal year, these amounts consist of:

Principal retirement	201,394
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In the statement of activities, interest accrued on outstanding bonds and the loss on refunding are amortized over the terms of the bonds, whereas in the governmental funds, the expenditure is reported when the bonds are issued:

Increase in accrued interest	146,536
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Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Decrease in compensated absences	80,120
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Change in Net Position of Governmental Activities	\$1,456,721
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See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$4,529,921	\$4,457,054	\$4,457,054	\$0
Intergovernmental	8,233,462	7,704,981	7,704,981	0
Interest	288,554	283,317	313,006	29,689
Tuition and Fees	153,651	275,636	275,636	0
Rent	4,500	5,284	5,284	0
Gifts and Donations	66	0	0	0
Customer Sales and Services	36,528	0	0	0
Payments in Lieu of Taxes	1,228,426	1,306,458	1,306,458	0
Miscellaneous	172,163	145,247	145,247	0
<i>Total Revenues</i>	<i>14,647,271</i>	<i>14,177,977</i>	<i>14,207,666</i>	<i>29,689</i>
Expenditures				
Current				
Instruction				
Regular	6,078,875	5,682,322	5,637,242	45,080
Special	1,538,215	1,988,591	1,988,591	0
Vocational	38,913	6,028	6,028	0
Support Services				
Pupils	307,598	565,788	565,788	0
Instructional Staff	223,049	166,309	166,309	0
Board of Education	46,971	44,034	44,034	0
Administration	916,282	1,079,160	1,079,160	0
Fiscal	509,070	434,245	434,245	0
Operation and Maintenance of Plant	1,292,795	1,568,642	1,568,642	0
Pupil Transportation	628,649	682,221	682,221	0
Central	264,265	269,405	269,405	0
Operation of Non-Instructional Services	3,157	18,226	18,226	0
Extracurricular Activities	1,185	0	0	0
Capital Outlay	10,348	17,770	17,770	0
Debt Service				
Principal	0	16,394	16,394	0
Interest	0	2,716	2,716	0
<i>Total Expenditures</i>	<i>11,859,372</i>	<i>12,541,851</i>	<i>12,496,771</i>	<i>45,080</i>
<i>Excess of Revenues Over Expenditures</i>	<i>2,787,899</i>	<i>1,636,126</i>	<i>1,710,895</i>	<i>74,769</i>
Other Financing Sources (Uses)				
Transfers In	241,964	482,901	482,901	0
Transfers Out	(2,259,631)	(2,672,011)	(2,672,011)	0
<i>Total Other Financing Sources (Uses)</i>	<i>(2,017,667)</i>	<i>(2,189,110)</i>	<i>(2,189,110)</i>	<i>0</i>
<i>Net Change in Fund Balance</i>	<i>770,232</i>	<i>(552,984)</i>	<i>(478,215)</i>	<i>74,769</i>
<i>Fund Balances Beginning of Year</i>	<i>4,434,767</i>	<i>4,434,767</i>	<i>4,434,767</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>67,944</i>	<i>67,944</i>	<i>67,944</i>	<i>0</i>
<i>Fund Balances End of Year</i>	<i>\$5,272,943</i>	<i>\$3,949,727</i>	<i>\$4,024,496</i>	<i>\$74,769</i>

See the accompanying notes to the basic financial statements.

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Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 1 – Description of the District and Reporting Entity

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

The School District was established in 1922. The School District serves an area of approximately 41 square miles. It is located in Clermont County and includes all of the Village of Williamsburg and portions of Williamsburg and Jackson Townships. The Board of Education controls the School District's two instructional support facilities staffed by 54 non-certified, 60 teaching personnel and 7 administrative employees providing education to 889 students.

Reporting Entity

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

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

The School District participates in two jointly governed organizations, one insurance purchasing pool, and one public entity shared risk pool. These organizations are discussed in notes 14 and 15 of the basic financial statements. These organizations are:

Jointly Governed Organizations:

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

Insurance Purchasing Pool:

Ohio SchoolComp Workers' Compensation Group Rating Plan

Public Entity Shared Risk Pool:

Southwestern Ohio Educational Purchasing Council Medical Insurance and Benefit Plan Trust

Note 2 – Summary of Significant Accounting Policies

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

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Basis of Presentation

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the School District fall within one category: governmental.

Governmental Funds

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred outflows of resources is reported as fund balance.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

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

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

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

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

Fiduciary Funds

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

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

Basis of Accounting

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

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

Revenue – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

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

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

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position and balance sheet report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and other post-employment benefits. These items are further explained in notes 9 and 10.

In addition to liabilities, the statement of net position and balance sheet report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources included property taxes, pension, other post-employment benefits, and unavailable revenue. Property taxes for which there is an enforceable legal claim as of June 30, 2025, but which were levied to finance fiscal year 2026 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources on the statement of net position and governmental fund balance sheet. Unavailable revenue is reported only on the governmental fund balance sheet and represents grants and entitlements and other resources not received within the available period and delinquent property taxes due at June 30, 2025. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position and are further explained in notes 9 and 10.

Expenses/Expenditures

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

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

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

Cash and Investments

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

During fiscal year 2025, the School District invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), money market funds, U.S. Treasury obligations, and U.S. government agency securities. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. The School District’s money market funds are recorded at amounts reported by the respective financial institutions at June 30, 2025.

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

STAR Ohio reserves the right to limit participant transactions to \$250 million per day. Transactions in all of a participant’s accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of \$100 million or more. For fiscal year 2025, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2025 amounted to \$312,995, \$697,368 in the locally funded initiative fund, \$295,415 in the OFCC construction fund, and \$52,481 in the nonmajor governmental funds. The School District also recognized an increase in the fair value of investments of \$28,643 in the general fund.

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

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments, or imposed by law through constitutional provisions. The School District had restricted assets related to retainage to report as of June 30, 2025.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed. The School District had no significant prepaid items to report as of June 30, 2025.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. General capital assets usually result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of \$2,500. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

Description	Estimated Lives
Land Improvements	5-20 years
Buildings and Improvements	25-80 years
Furniture, Fixtures and Equipment	5-20 years
Vehicles	8 years

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

Accrued Liabilities and Long-Term Obligations

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

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

Compensated Absences

The School District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave.

A liability for compensated absences is recorded as incurred in the government-wide statement of net position using the first-in, first-out flow assumption, where the oldest accumulated leave is the leave used first. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary related benefits, where

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

applicable.

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 more likely than not that the employer will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits considered more likely than not to be used or settled at termination are recognized as a liability in the financial statements. The amount is based on accumulated sick leave and employee wage rates at fiscal year-end taking into consideration any limits specified in the School District's termination policy.

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employee who has accumulated unpaid leave is paid. The School District did not have any matured compensated absences to report as of June 30, 2025.

Certificates of Participation Premiums/Issuance Costs

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

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

Net Position

Net position represents the difference between assets, liabilities and deferred inflows/outflows of resources. Net investment in capital assets, consist of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets.

Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions, or enabling legislation adopted or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Other purposes restricted net position includes various grants and other resources restricted for various purposes. Restricted net position for net OPEB assets represents the corresponding restricted amounts held in trust by the OPEB plans for future benefits, net of related deferred outflows and inflows of resources. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the School District's restricted net position, none are restricted by enabling legislation.

Fund Balances

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts would represent intended uses established by the School District’s Board of Education.

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

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

Internal Activity

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

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

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

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

Estimates

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

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Extraordinary and Special Items

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

Budgetary Process

The budgetary process is prescribed by the provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund/special cost center level for the general fund and at the fund level for all other funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund/special cost center.

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

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as final budgeted amounts reflect the amounts in the amended certificate that was in effect at the time the final appropriations were passed by the Board of Education.

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

Pensions/OPEB

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

Note 3 – Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget and actual - (budget basis) for the general fund is

Williamsburg Local School District
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For the Fiscal Year Ended June 30, 2025

presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a restriction, commitment, or assignment of fund balance (GAAP basis).
4. Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies, pre-school, public school support, and termination benefits funds. These funds were excluded from the budgetary presentation for the general fund.

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

Net Change in Fund Balance	
	General
GAAP Basis	(\$728,705)
Revenue Accruals	744,103
Expenditure Accruals	(312,842)
Encumbrances	(184,160)
(Excess) Deficit of Funds Combined with	
General Fund for Reporting Purposes	3,389
Budget Basis	(\$478,215)

Note 4 – Deposits and Investments

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

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

Inactive deposits are public deposits that the Board has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts, including, but not limited to, passbook accounts.

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2025, the School District's bank balance of \$190,643 was either covered by FDIC or collateralized by the financial institution's public entity deposit pool in the manner described below.

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

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

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

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Investments

As of June 30, 2025, the School District had the following investments, which are in an internal investment pool:

	Fair Value	Credit Rating	Maturity	Percent of Total Investments
STAR Ohio	\$26,324,900	AAAm	Less than one year	93.48%
First American Government Obligation Money Market Fund	15,372	AAAm	Less than one year	0.05%
Federal National Mortgage Assn.	49,508	AA+	Less than one year	0.18%
Federal Farm Credit Bank	51,077	AA+	One to two years	0.18%
Federal Farm Credit Bank	161,398	AA+	Three to five years	0.57%
Federal Home Loan Mortgage Corp.	68,946	AA+	Less than one year	0.24%
Federal Home Loan Bank	204,754	AA+	One to two years	0.73%
Federal Home Loan Bank	100,661	AA+	Three to five years	0.36%
U.S. Treasury Notes	209,400	AA+	Less than one year	0.74%
U.S. Treasury Notes	194,597	AA+	One to two years	0.69%
U.S. Treasury Notes	782,036	AA+	Three to five years	2.78%
Total Investments	<u>\$28,162,649</u>			<u>100.00%</u>

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurement as of June 30, 2025. As previously discussed, STAR Ohio is reported at its net asset value. All other investments of the School District are valued using quoted market prices (Level 1 inputs).

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

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

Custodial Credit Risk – Custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the School District's securities are either insured and registered in the name of the School District or at least registered in the name of the School District. The School District has no investment policy dealing with investment custodial credit risk beyond the requirements in state statute that prohibit payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

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

Note 5 – Property Taxes

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

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the School District. Real property tax revenues received in calendar year 2025

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

represent the collection of calendar year 2024 taxes. Real property taxes received in calendar year 2025 were levied after April 1, 2024, on the assessed values as of January 1, 2024, the lien date. Assessed values for real property taxes are established by state statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, state statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2025 represent the collection of calendar year 2024 taxes. Public utility real and tangible personal property taxes received in calendar year 2025 became a lien on December 31, 2023, were levied after April 1, 2024, and are collected in calendar year 2025 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The School District receives property taxes from Clermont and Brown Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2025, are available to finance fiscal year 2025 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2025, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

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

The assessed values upon which fiscal year 2025 taxes were collected are:

	2024 Second-Half Collections		2025 First-Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$173,152,070	93.43%	\$174,973,550	92.85%
Public Utility Personal	12,173,540	6.57%	13,469,090	7.15%
Total Assessed Value	<u>\$185,325,610</u>	<u>100.00%</u>	<u>\$188,442,640</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed value	\$42.85		\$42.79	

Note 6 - Receivables

Receivables at June 30, 2025, consisted of accrued interest, accounts, intergovernmental, interfund, and property taxes. All receivable amounts, except delinquent property taxes, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. The intergovernmental receivables are as follows:

<i>Major Funds:</i>	
General Fund	\$10,115
OFCC Construction Fund	11,881,704
Total All Funds	<u>\$11,891,819</u>

Note 7 – Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2025, the School District contracted with commercial carriers for property and fleet insurance, liability insurance and inland marine coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant changes in coverage from the prior year.

Workers' Compensation

For fiscal year 2025, the School District participated in the Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see note 15). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sedgwick, Inc. provides administrative, cost control, and actuarial services to the GRP.

Employee Benefits

The School District is a member of the Southwestern Ohio Educational Purchasing Council Medical Insurance and Benefit Plan Trust, which is a public entity shared risk pool. The Trust is organized as a Voluntary Employee Benefit Association under Section 501(c)(9) of the Internal Revenue Code and provides medical and dental insurance benefits to the employees of the participants. The Trust is governed by the Southwestern Ohio Educational Purchasing Cooperative and its participating members. Each participant decides which plans offered by the Trust will be extended to its employees. Participation in the Trust is by written application subject to acceptance by the Trust and payment of the monthly premiums.

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Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 8 – Capital Assets

Capital assets activity for the fiscal year ended June 30, 2025 was as follows:

	Balance at 6/30/24	Additions	Disposals	Balance at 6/30/25
<i>Governmental Activities</i>				
Capital Assets Not Being Depreciated/Amortized:				
Land	\$830,100	\$0	\$0	\$830,100
Construction in Progress	0	4,230,056	0	4,230,056
Total Capital Assets Not Being Depreciated/Amortized	830,100	4,230,056	0	5,060,156
Capital Assets Being Depreciated/Amortized:				
Land Improvements	3,966,443	179,635	0	4,146,078
Buildings and Improvements	18,394,397	413,354	0	18,807,751
Furniture, Fixtures, and Equipment	2,605,216	115,455	0	2,720,671
Vehicles	1,292,979	0	0	1,292,979
Intangible Right to Use Leased Assets*	82,150	0	0	82,150
Total Capital Assets Being Depreciated/Amortized	26,341,185	708,444	0	27,049,629
Less Accumulated Depreciation/Amortization				
Land Improvements	(2,226,062)	(127,350)	0	(2,353,412)
Buildings and Improvements	(7,623,531)	(512,849)	0	(8,136,380)
Furniture, Fixtures, and Equipment	(1,921,502)	(111,188)	0	(2,032,690)
Vehicles	(859,471)	(64,943)	0	(924,414)
Intangible Right to Use Leased Assets*	(30,122)	(16,430)	0	(46,552)
Total Accumulated Depreciation/Amortization	(12,660,688)	(832,760)	0	(13,493,448)
Total Capital Assets Being Depreciated/Amortized, Net	13,680,497	(124,316)	0	13,556,181
Governmental Activities Capital Assets, Net	\$14,510,597	\$4,105,740	\$0	\$18,616,337

*Of the current year depreciation/amortization total of \$832,760, \$16,430 is presented as regular instruction and administration expenses on the statement of activities related to the School District's intangible asset of copiers, which is included as an Intangible Right to Use Lease.

Depreciation/Amortization was charged to the following governmental functions:

Instruction:	
Regular	\$517,312
Special	6,945
Pupils	2,478
Support Services:	
Instructional Staff	26,752
Administration	5,422
Operation and Maintenance of Plant	108,360
Pupil Transportation	74,280
Operation of Non-Instructional Services	16,209
Extracurricular Activities	75,002
Total Depreciation/Amortization Expense	<u>\$832,760</u>

Note 9 – Defined Benefit Pension Plans

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

Net Pension/OPEB Liability (Asset)

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

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

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

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

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

School Employees Retirement System (SERS)

Plan Description – School District 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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	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 2024.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2025, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2025, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$329,695 for fiscal year 2025. Of this amount, \$76,953 is reported as an intergovernmental payable in the accompanying financial statements.

State Teachers Retirement System (STRS)

Plan Description – School 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.

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. The calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of credited service. Effective August 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 - July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any

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For the Fiscal Year Ended June 30, 2025

age; or five years of service credit and age 65. Effective on or after August 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.

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, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a permanent 1 percent COLA 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.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits effective August 1, 2023, can retire with 29 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after August 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

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.

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 2025 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2025, the full employer contribution was allocated to pension.

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The School District's contractually required contribution to STRS was \$799,294 for fiscal year 2025. Of this amount, \$150,748 is reported as an intergovernmental payable in the accompanying financial statements.

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

The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability			
Current Measurement Date	0.05159130%	0.038965990%	
Proportion of the Net Pension Liability			
Prior Measurement Date	0.05122330%	0.039024710%	
Change in Proportionate Share	<u>0.00036800%</u>	<u>-0.000058720%</u>	
Proportionate Share of the Net			
Pension Liability	\$2,639,203	\$7,497,686	\$10,136,889
Pension Expense	\$428,814	\$289,662	\$718,476

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<i>Deferred Outflows of Resources</i>			
Differences between expected and actual experience	\$100,766	\$472,158	\$572,924
Changes of assumptions	23,609	345,534	369,143
Changes in proportion and differences between School District contributions and proportionate share of contributions	274,007	167,182	441,189
School District contributions subsequent to the measurement date	<u>329,695</u>	<u>799,294</u>	<u>1,128,989</u>
Total Deferred Outflows of Resources	<u>\$728,077</u>	<u>\$1,784,168</u>	<u>\$2,512,245</u>
<i>Deferred Inflows of Resources</i>			
Differences between expected and actual experience	\$0	\$4,107	\$4,107
Changes of assumptions	0	644,648	644,648
Net difference between projected and actual earnings on pension plan investments	165,082	260,088	425,170
Changes in proportion and differences between School District contributions and proportionate share of contributions	<u>0</u>	<u>115,453</u>	<u>115,453</u>
Total Deferred Inflows of Resources	<u>\$165,082</u>	<u>\$1,024,296</u>	<u>\$1,189,378</u>

\$1,128,989 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (gain) as follows:

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Fiscal Year Ending June 30:	SERS	STRS	Total
2026	\$24,677	\$417,268	\$441,945
2027	273,436	(148,653)	124,783
2028	(16,275)	(148,658)	(164,933)
2029	(48,538)	(159,379)	(207,917)
Total	<u>\$233,300</u>	<u>(\$39,422)</u>	<u>\$193,878</u>

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2024, below:

Inflation	2.4 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

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

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. ORC 3309.15 and the SERS Board-adopted Investment Policy govern investment activity. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	100.00 %	

Discount Rate The total pension liability for 2024 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 20-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate for fiscal year 2024 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 2024 was 9.31 percent.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$4,037,615	\$2,639,203	\$1,461,815

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Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2024, actuarial valuation are presented below:

Inflation	2.50 percent
Salary increases	From 2.5 percent to 8.5 percent based on service
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

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

Actuarial assumptions used in the June 30, 2024, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

<u>Asset Class</u>	<u>Target Allocation *</u>	<u>Long-Term Expected Rate of Return **</u>
Domestic Equity	26.00%	6.90%
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
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 2.4 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocation 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, 2024. 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

Williamsburg Local School District
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projected future benefit payments to current plan members as of June 30, 2024. 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, 2024.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$12,095,082	\$7,497,686	\$3,609,079

Note 10 – Defined Benefit OPEB Plans

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

School Employees Retirement System (SERS)

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides 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.

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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 2025, 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 2025, 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 2025, the School District's surcharge obligation was \$39,143.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$39,143 for fiscal year 2025, which was recorded as an intergovernmental payable in the accompanying financial statements.

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.

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage.

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, 2025, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability (asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB gain:

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	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.05236220%	0.03896599%	
Prior Measurement Date	0.05252320%	0.03902471%	
Change in Proportionate Share	<u>-0.00016100%</u>	<u>-0.00005872%</u>	
Proportionate Share of the:			
Net OPEB Liability	\$533,307	\$0	\$533,307
Net OPEB (Asset)	\$0	(\$739,110)	(\$739,110)
Net OPEB Gain	(\$59,717)	(\$152,639)	(\$212,356)

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
<i>Deferred Outflows of Resources</i>			
Differences between expected and actual experience	\$0	\$32,132	\$32,132
Changes of assumptions	228,894	90,974	319,868
Net difference between projected and actual earnings on pension plan investments	2,605	0	2,605
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	222,488	1,648	224,136
School District contributions subsequent to the measurement date	39,143	0	39,143
Total Deferred Outflows of Resources	<u>\$493,130</u>	<u>\$124,754</u>	<u>\$617,884</u>
<i>Deferred Inflows of Resources</i>			
Differences between expected and actual experience	\$575,043	\$79,645	\$654,688
Changes of assumptions	244,983	333,327	578,310
Net difference between projected and actual earnings on OPEB plan investments	0	31,737	31,737
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	52,798	8,825	61,623
Total Deferred Inflows of Resources	<u>\$872,824</u>	<u>\$453,534</u>	<u>\$1,326,358</u>

\$39,143 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or increase in the net OPEB asset in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (gain) as follows:

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Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2026	(\$138,945)	(\$113,599)	(\$252,544)
2027	(89,200)	(51,521)	(140,721)
2028	(56,973)	(64,947)	(121,920)
2029	(39,684)	(60,467)	(100,151)
2030	(38,900)	(49,194)	(88,094)
Thereafter	<u>(55,135)</u>	<u>10,948</u>	<u>(44,187)</u>
Total	<u><u>(\$418,837)</u></u>	<u><u>(\$328,780)</u></u>	<u><u>(\$747,617)</u></u>

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2024, are presented below:

Williamsburg Local School District
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	June 30, 2024
Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Fiduciary Net Position is Projected to be Depleted	2059
Municipal Bond Index Rate:	
Measurement Date	3.93 percent
Prior Measurement Date	3.86 percent
Single Equivalent Interest Rate,	
Measurement Date	4.88 percent
Prior Measurement Date	4.27 percent
Health Care Cost Trend Rate	
Medical Trend Assumption	
Measurement Date	7.00 to 4.40 percent
Prior Measurement Date	6.75 to 4.40 percent

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

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

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

The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2024:

Williamsburg Local School District
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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	100.00 %	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2024, was 4.88 percent. The discount rate used to measure total OPEB liability prior to June 30, 2024, was 4.27 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 2059 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, 2023, and the June 30, 2024, total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate was 3.93 percent at June 30, 2024, and 3.86 percent at June 30, 2023.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.88%) and higher (5.88%) than the current discount rate (4.88%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate.

	1% Decrease (3.88%)	Current Discount Rate (4.88%)	1% Increase (5.88%)
School District's proportionate share of the net OPEB liability	\$711,145	\$533,307	\$391,990
	1% Decrease (6.00% decreasing to 3.40%)	Current Trend Rate (7.00% decreasing to 4.40%)	1% Increase (8.00% decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$360,495	\$533,307	\$760,453

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2024, actuarial valuation compared to the prior year are presented below:

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	June 30, 2024	June 30, 2023
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by service from 2.5 percent to 8.5 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 3.94 percent ultimate	7.50 percent initial 4.14 percent ultimate
Medicare	-112.22 percent initial 3.94 percent ultimate	-10.94 percent initial 4.14 percent ultimate
Prescription Drug		
Pre-Medicare	8.00 percent initial 3.94 percent ultimate	-11.95 percent initial 4.14 percent ultimate
Medicare	-15.14 percent initial 3.94 percent ultimate	1.33 percent initial 4.14 percent ultimate

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

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

Actuarial assumptions used in the June 30, 2024, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

Williamsburg Local School District
Notes to the Basic Financial Statements
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Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00%	6.90%
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	100.00%	

* Final target weights reflected at October 1, 2022.

* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.4 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the 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, 2024. 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, 2024. 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, 2024.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2024, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net OPEB asset	(\$600,946)	(\$739,110)	(\$859,344)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	(\$867,466)	(\$739,110)	(\$584,747)

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Note 11 – Compensated Absences

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

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

Note 12 – Long-Term Obligations

The changes in the School District's long-term obligations during fiscal year 2025 were as follows:

	Adjusted Amount Outstanding 6/30/24	Additions	Deductions	Amount Outstanding 6/30/25	Amounts Due Within One Year
<i>Governmental Activities</i>					
2021 Financed Purchase Agreement	\$1,330,000	\$0	(\$180,000)	\$1,150,000	\$180,000
2024 Certificates of Participation	19,000,000	0	(5,000)	18,995,000	5,000
Premium on Certificates of Participation	1,277,786	0	(42,593)	1,235,193	0
Total Certificates of Participation	20,277,786	0	(47,593)	20,230,193	5,000
2023 Lease Payable	54,316	0	(16,394)	37,922	17,056
Compensated Absences	673,523	0	(80,120)	593,403	313,543
Net Pension Liability	11,234,298	0	(1,097,409)	10,136,889	0
Net OPEB Liability	865,291	0	(331,984)	533,307	0
Total Governmental Activities Long-Term Obligations	\$34,435,214	0	(\$1,753,500)	\$32,681,714	\$515,599

Certificates of Participation (COPs) – In April 2024, the School District issued \$19,000,000 in certificates of participation (COPs), for the purpose of an elementary school improvement project. The COPs were issued through a series of agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. The COPs have been designated to be “qualified tax exempt obligations” within the meaning of 26 U.S.C. 265 (b)(3) of the Internal Revenue Service Code.

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

The COPs were issued through a series of annual leases with an initial term of one year which includes the right to renew for thirty successive one-year terms through July 1, 2053, subject to annual appropriations. To satisfy the trustee requirements, the School District is required to make annual base rent payments, subject to the finance purchase terms and appropriations, semi-annually. The base rent includes an interest component of 5.25 percent.

Williamsburg Local School District
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Upon 90 days of written notice from the School District, the School District has the option to purchase the Project Facilities on any date by paying the Trustee the amount necessary to defease the indenture.

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

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

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

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

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

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

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

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

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

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Financed Purchase – In June 2021, the School District entered into a financed purchase agreement for the purpose of improvements to School District facilities, including acquisition and installation of a new roof for the high school building. This agreement was entered into for an amount up to \$1,845,000 and carries a 2.15% interest rate and a final maturity date of December 1, 2030. This lease-purchase agreement is a general obligation of the School District. This agreement met the criteria of a financed purchase which is defined as a financed purchase which transfers ownership to the lessee. Financed purchase payments are reflected as debt expenditures in the fund financial statements. Principal payments made during the fiscal year totaled \$180,000 and were made from the permanent improvement fund.

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

The School District's overall legal debt margin was \$16,959,838 with an unvoted debt margin of \$188,443 at June 30, 2025.

Principal and interest requirements to retire debt outstanding at June 30, 2025, are as follows:

Fiscal Year Ending June 30	Certificates of Participation		Financed Purchase Agreement	
	Principal	Interest	Principal	Interest
2026	\$5,000	\$992,300	\$180,000	\$22,790
2027	5,000	992,050	185,000	18,866
2028	5,000	991,800	190,000	14,835
2029	5,000	991,550	195,000	10,696
2030	5,000	991,300	200,000	6,450
2031-2035	480,000	4,907,544	200,000	2,150
2036-2040	850,000	4,735,776	0	0
2041-2045	2,780,000	4,370,345	0	0
2046-2050	7,335,000	2,989,743	0	0
2051-2054	7,525,000	815,457	0	0
Total	\$18,995,000	\$22,777,865	\$1,150,000	\$75,787

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

Fiscal Year Ending June 30	Principal	Interest
2026	\$17,056	\$1,896
2027	17,909	1,043
2028	2,957	44
Total	\$37,922	\$2,983

Note 13 – Set-Aside Calculations

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

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

	Capital Improvements
Set-Aside Balance as of June 30, 2024	\$0
Current Fiscal Year Set-Aside Requirement	230,007
Current Fiscal Year Offsets	(1,631,458)
Current Fiscal Year Qualifying Disbursements	(407,832)
Set-Aside Balance as of June 30, 2025	(\$1,809,283)
Required Set-Aside Balance Carried Forward to Fiscal Year 2026	\$0

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

Note 14 – Jointly Governed Organizations

Hamilton Clermont Cooperative Information Technology Center

The School District is a participant in a two-county consortium of school districts to operate the Hamilton Clermont Cooperative Information Technology Center (HCC). HCC is an association of public districts in a geographic area determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The Board of HCC consists of one representative from each of the participating members. The School District paid \$59,938 for services provided during the fiscal year. Complete financial statements for HCC can be obtained from David Downs, Executive Director, at their administrative offices at 1007 Cottonwood Drive, Loveland, Ohio 45140.

U.S. Grant Joint Vocational School

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

Note 15 – Insurance Purchasing Pool and Public Entity Shared Risk Pool

Insurance Purchasing Pool

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

Public Entity Shared Risk Pool

The School District participates in the Southwestern Ohio Educational Purchasing Council (SOEPC), a purchasing council made up of over 332 school districts and educational service centers in multiple counties. The purpose of the council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are

Williamsburg Local School District
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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's 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. The Board exercises total control over the operations of the council including budgeting, appropriating, contracting and designating management. Each school district's degree of control is limited to its representation on the Board. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

Note 16 – Interfund Activity

Interfund Transfers

Transfers made during the fiscal year ended June 30, 2025 were as follows:

	<u>Transfers To</u>	<u>Transfers From</u>
<i>Major Fund:</i>		
General Fund	\$0	\$2,089,110
<i>Nonmajor Funds:</i>		
Permanent Improvement	1,631,458	0
Facilities Maintenance	75,670	0
Student Activities	50,500	0
Athletics	331,482	0
Total Nonmajor Funds	<u>2,089,110</u>	<u>0</u>
Total All Funds	<u>\$2,089,110</u>	<u>\$2,089,110</u>

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

Interfund Receivables/Payables

At June 30, 2025, the School District had the following outstanding interfund balances:

	<u>Receivables</u>	<u>Payables</u>
<i>Major Fund:</i>		
General Fund	\$18,255	\$0
<i>Nonmajor Fund:</i>		
Food Service Fund	0	18,255
Total All Funds	<u>\$18,255</u>	<u>\$18,255</u>

The general fund advanced funds to the food service fund in anticipation of grant revenues. The fund is expected to be repaid in the subsequent fiscal year.

Note 17 - Contingencies

Litigation

The School District is not currently party to legal proceedings.

Williamsburg Local School District
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Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2025, if applicable, cannot be determined at this time.

State Foundation Funding

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education and Workforce (DEW) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. Adjustments for fiscal year 2025 have been finalized. An intergovernmental receivable of \$9,657 was recorded in the accompanying financial statements for the August foundation adjustment and an intergovernmental payable of \$13 was recorded for the November adjustment.

Note 18 – Fund Balances

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

	General Fund	Locally Funded Initiative Fund	OFCC Construction Fund	Nonmajor Funds	Total Governmental Funds
<i>Restricted for</i>					
Other Purposes	\$0	0	\$0	\$159,429	\$159,429
Capital Improvements	0	11,851,700	6,281,409	0	18,133,109
Student Activities and Athletics	0	0	0	269,545	269,545
Total Restricted	0	11,851,700	6,281,409	428,974	18,562,083
<i>Committed for</i>					
Severance Benefits	241,061	0	0	0	241,061
Permanent Improvements	0	0	0	3,251,519	3,251,519
Total Committed	241,061	0	0	3,251,519	3,492,580
<i>Assigned to</i>					
Student and Staff Support	34,785	0	0	0	34,785
Subsequent Budget Deficit	144,192	0	0	0	144,192
Future Purchases	143,498	0	0	0	143,498
Total Assigned	322,475	0	0	0	322,475
<i>Unassigned (Deficit)</i>	4,061,080	0	0	(58,131)	4,002,949
<i>Total Fund Balances</i>	<u>\$4,624,616</u>	<u>\$11,851,700</u>	<u>\$6,281,409</u>	<u>\$3,622,362</u>	<u>\$26,380,087</u>

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Note 19 – Significant Commitments

Encumbrances

At June 30, 2025, the School District had significant encumbrance commitments in governmental funds as follows:

<i>Major Funds:</i>	
General	\$208,668
Locally Funded Initiative	5,381,674
OFCC Construction	1,202,347
<i>Nonmajor Funds:</i>	
Permanent Improvement	244,895
Student Activities	1,154
Athletics	2,547

Contractual Commitments

At June 30, 2025, the School District had the following significant outstanding contractual commitments:

Contractor/Contract	Contract Amount	Amount Paid	Contract Remaining
		as of 6/30/25	
Mark Spaulding Construction/Gym and STEM	\$5,830,911	\$1,426,981	\$4,403,930
Mark Spaulding Construction/Gym and STEM	367,000	20,200	346,800
Four Seasons Environmental/Elementary	65,902	5,272	60,630
Fanning Howey Associates/Elementary	1,790,910	417,508	1,373,402
Skanska USA Building/Elementary	283,895	49,877	234,018

Note 20 – Accountability and Compliance

Accountability

The following funds had deficit fund balances as of June 30, 2025:

<i>Nonmajor Fund:</i>	
Lunchroom	\$58,131

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

Note 21 – New Accounting Pronouncements

For fiscal year 2025, the School District implemented GASB Statement No. 101, "Compensated Absences" and GASB Statement No. 102, "Certain Risk Disclosures".

GASB Statement No. 101 provides updated guidance on accounting for and reporting compensated absences, which includes recognizing a liability for leave that is attributable to service already rendered and is more likely than not to be used or otherwise paid or settled. The implementation of GASB Statement No. 101 has the following impact on beginning net position:

Williamsburg Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

	Governmental Activities
Net Position at June 30, 2024	\$23,146,697
Adjustments: GASB No. 101 Implementation	903,487
Adjusted Net Position at June 30, 2024	<u>\$24,050,184</u>

GASB Statement 102 requires school districts to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. A concentration, as defined by Statement 102, is a lack of diversity related to an aspect of a significant inflow or outflow of resources, for example, a small number of companies that represent a majority of employment in a school district's jurisdiction, or a school district that relies on one revenue source for most of its revenue. A constraint is a limitation imposed on a school district by an external party or by formal action of the school district's highest level of decision-making authority, such as a voter-approved property tax cap or a state-imposed debt limit. The School District had no disclosures related to concentrations or constraints. This GASB pronouncement relates to note disclosure only and had no effect on beginning net position/fund balance.

Note 22 – Tax Abatements Entered Into By Other Governments

Williamsburg Township, Clermont County, (the Township) has entered into an Enterprise Zone Agreement (EZA) with property owners located within the taxing district of the School District. EZAs provide for property tax abatements to encourage job growth and economic development in the Township. The EZA provides for direct incentive property tax exemptions benefiting property owners who renovate or construct new buildings. As a result of the EZA, the School District's property taxes were reduced by \$1,986,913 during fiscal year 2025. The School District received \$1,306,458 in compensation payments associated with the forgone property tax revenue.

Note 23 - Certain Risk Disclosures

Concentration of Financial Resource Provider

The Nestle Purina annual compensation agreement provided approximately \$1.2 million in payments in lieu of taxes to the School District during fiscal year 2025. These funds have been earmarked by the School District to pay debt service obligations for the 2024 certificates of participation used to fund the new elementary school. Loss of this funding could adversely affect the School District's ability to meet this debt service obligation.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<i>State Teachers Retirement System</i>										
School District's proportion of the net pension liability	0.036060140%	0.036367690%	0.037294290%	0.038820370%	0.039974390%	0.037884700%	0.037531119%	0.037168120%	0.039024710%	0.038965990%
School District's proportionate share of the net pension liability	\$9,965,968	\$12,173,362	\$8,859,339	\$8,535,728	\$8,840,096	\$9,166,749	\$4,798,691	\$8,262,520	\$8,403,947	\$7,497,686
School District's covered payroll	\$3,700,686	\$3,946,743	\$4,164,057	\$4,462,143	\$4,713,207	\$4,031,471	\$4,218,421	\$4,416,636	\$4,778,107	\$5,403,771
School District's proportionate share of the net pension liability as a percentage of its covered payroll	269.3%	308.4%	212.8%	191.3%	187.6%	227.4%	113.8%	187.1%	175.9%	138.7%
Plan fiduciary net position as a percentage of the total pension liability	72.1%	66.8%	75.3%	77.3%	77.4%	75.5%	87.8%	78.9%	80.0%	82.5%
<i>School Employees Retirement System</i>										
School District's proportion of the net pension liability	0.043324700%	0.043540300%	0.042776200%	0.041786000%	0.041109800%	0.040224000%	0.039109600%	0.041385600%	0.051223300%	0.051591300%
School District's proportionate share of the net pension liability	\$2,472,149	\$3,186,748	\$2,555,783	\$2,393,162	\$2,459,671	\$2,660,500	\$1,443,031	\$2,238,455	\$2,830,351	\$2,639,203
School District's covered payroll	\$1,280,918	\$1,316,400	\$1,377,943	\$1,293,170	\$1,318,185	\$1,305,021	\$1,243,450	\$1,501,714	\$2,073,936	\$2,308,821
School District's proportionate share of the net pension liability as a percentage of its covered payroll	193.0%	242.1%	185.5%	185.1%	186.6%	203.9%	116.1%	149.1%	136.5%	114.3%
Plan fiduciary net position as a percentage of the total pension liability	69.2%	63.0%	69.5%	71.4%	70.9%	68.6%	82.9%	75.8%	76.1%	78.5%

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

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

	2017	2018	2019	2020	2021	2022	2023	2024	2025
<i>State Teachers Retirement System</i>									
School District's proportion of the net OPEB liability (asset)	0.036367690%	0.037294300%	0.038820400%	0.039974390%	0.037884700%	0.037531119%	0.037168120%	0.039024710%	0.038965990%
School District's proportionate share of the net OPEB liability (asset)	\$1,994,508	\$1,455,086	(\$623,804)	(\$662,072)	(\$665,823)	(\$791,313)	(\$962,406)	(\$758,977)	(\$739,110)
School District's covered payroll	\$3,946,743	\$4,164,057	\$4,462,143	\$4,713,207	\$4,031,471	\$4,218,421	\$4,416,636	\$4,778,107	\$5,403,771
School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	50.5%	34.9%	-14.0%	-14.0%	-16.5%	-18.8%	-21.8%	-15.9%	-13.7%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	37.3%	47.1%	176.0%	174.7%	182.1%	174.7%	230.7%	168.5%	158.0%
<i>School Employees Retirement System</i>									
School District's proportion of the net OPEB liability	0.043540300%	0.043393400%	0.042386100%	0.041966300%	0.041627900%	0.040079400%	0.042495300%	0.052523200%	0.052362200%
School District's proportionate share of the net OPEB liability	\$1,236,872	\$1,164,565	\$1,175,905	\$1,055,364	\$904,711	\$758,535	\$596,638	\$865,291	\$533,307
School District's covered payroll	\$1,316,400	\$1,377,943	\$1,293,170	\$1,318,185	\$1,305,021	\$1,243,450	\$1,501,714	\$2,073,936	\$2,308,821
School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	94.0%	84.5%	90.9%	80.1%	69.3%	61.0%	39.7%	41.7%	23.1%
Plan fiduciary net position as a percentage of the total OPEB liability	11.5%	12.5%	13.6%	15.6%	18.2%	24.1%	30.3%	30.0%	44.5%

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

Information not available prior to 2017.

See accompanying notes to the required supplementary information.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<i>State Teachers Retirement System</i>										
Contractually required contribution - pension	\$552,544	\$582,968	\$624,700	\$659,849	\$564,406	\$590,579	\$618,329	\$668,935	\$756,528	\$799,294
Contractually required contribution - OPEB	0	0	0	0	0	0	0	0	0	0
Contractually required contribution - total	552,544	582,968	624,700	659,849	564,406	590,579	618,329	668,935	756,528	799,294
Contributions in relation to the contractually required contribution	552,544	582,968	624,700	659,849	564,406	590,579	618,329	668,935	756,528	799,294
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School District's covered payroll	\$3,946,743	\$4,164,057	\$4,462,143	\$4,713,207	\$4,031,471	\$4,218,421	\$4,416,636	\$4,778,107	\$5,403,771	\$5,709,243
Contributions as a percentage of covered payroll - pension	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Contributions as a percentage of covered payroll - OPEB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a percentage of covered payroll - total	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
<i>School Employees Retirement System</i>										
Contractually required contribution - pension	\$184,296	\$192,912	\$174,578	\$177,955	\$182,703	\$174,083	\$210,240	\$290,351	\$323,235	\$329,695
Contractually required contribution - OPEB (1)	0	0	6,466	6,591	0	0	0	0	0	0
Contractually required contribution - total	184,296	192,912	181,044	184,546	182,703	174,083	210,240	290,351	323,235	329,695
Contributions in relation to the contractually required contribution	184,296	192,912	181,044	184,546	182,703	174,083	210,240	290,351	323,235	329,695
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School District's covered payroll	\$1,316,400	\$1,377,943	\$1,293,170	\$1,318,185	\$1,305,021	\$1,243,450	\$1,501,714	\$2,073,936	\$2,308,821	\$2,354,964
Contributions as a percentage of covered payroll - pension	14.00%	14.00%	13.50%	13.50%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Contributions as a percentage of covered payroll - OPEB	0.00%	0.00%	0.50%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a percentage of covered payroll - total	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

(1) Excludes surcharge.

See accompanying notes to the required supplementary information.

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Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

State Teachers Retirement System

Pension

Changes in benefit terms

There were no changes to benefit terms for fiscal years 2016 through 2017. For fiscal year 2018, the cost of living adjustment (COLA) was reduced to 0 percent effective July 1, 2017. There were no changes to benefit terms for fiscal years 2019 through 2025.

Changes in assumptions

There were no changes in assumptions for fiscal years 2016 through 2017.

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

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

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

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

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

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

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

There were no changes in assumptions for fiscal years 2024 or 2025.

OPEB

Changes in benefit terms

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

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

- The HealthSpan HMO plans were eliminated.

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

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

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

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

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

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

There were no changes to benefit terms for fiscal years 2023 through 2025.

Changes in assumptions

There were no changes in assumptions for fiscal year 2017.

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

- The assumed salary scale was modified.

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

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

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

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

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

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

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

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

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

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

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

For fiscal year 2025, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
 - Medical Pre-Medicare – from 7.50 percent initial, 4.14 percent ultimate to 7.50 percent initial, 3.94 percent ultimate
 - Medical Medicare – from -10.94 percent initial, 4.14 percent ultimate to -112.22 percent initial, 3.94 percent ultimate
 - Prescription Drug Pre-Medicare – from -11.95 percent initial, 4.14 percent ultimate to 8.00 percent initial, 3.94 percent ultimate
 - Prescription Drug Medicare – from 1.33 percent initial, 4.14 percent ultimate to -15.14 percent initial, 3.94 percent ultimate

School Employees Retirement System

Pension

Changes in benefit terms

There were no changes to benefit terms for fiscal years 2016 through 2017.

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

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

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

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

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

There were no changes to benefit terms for fiscal years 2024 or 2025.

Changes in assumptions

There were no changes in assumptions for fiscal years 2016 through 2017.

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

- Assumed rate of inflation was reduced from 3.25 percent to 3.0 percent
- Payroll Growth Assumption was reduced from 4.0 percent to 3.5 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.5 percent
- Investment rate of return was reduced from 7.75 percent to 7.5 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. The above rates represent the base rates used.
- Mortality among service retired members, and beneficiaries was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates.
- Mortality among disabled member was updated to the following:
 - RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

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

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

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

There were no changes in assumptions for fiscal years 2023 through 2025.

OPEB

Changes in benefit terms

There were no changes to benefit terms for fiscal years 2017 through 2025.

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Changes in assumptions

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

- Assumed rate of inflation was reduced from 3.25 percent to 3.0 percent
- Payroll growth assumption was reduced from 4.0 percent to 3.5 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.5 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females.
- Mortality among service retired members, and beneficiaries was updated to the following:
 - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates.
- Mortality among disabled members was updated to the following:
 - RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

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

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

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

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

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

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

Williamsburg Local School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

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

- The inflation rate decreased from 3.0 percent to 2.4 percent.
- Projected salary increases decreased from 3.5 percent to 3.25 percent.
- Investment rate of return decreased from 7.5 percent to 7.0 percent.
- The municipal bond index rate decreased from 2.45 percent to 1.92 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation decreased from 2.63 percent to 2.27 percent.
- The medical trend assumption rate changed as follows:
 - Medicare – 2020 – 5.25 to 4.75 percent, 2022 – 5.125 to 4.4 percent
 - Pre-Medicare – 2020 – 7 to 4.75 percent, 2022 – 6.75 to 4.4 percent
- Mortality among members was updated to the following:
 - PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females.
- Mortality among disabled members was updated to the following:
 - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females.

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

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

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

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

For fiscal year 2025, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond index rate increased from 3.86 percent to 3.93 percent.
- The single equivalent interest rate, net of plan investment expense, including price inflation increased from 4.27 percent to 4.88 percent.
- The medical trend assumption increased from 6.75 percent to 7.00 percent.

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

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

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Williamsburg Local School District, Clermont County, Ohio (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated April 15, 2026, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board Statement 101, *Compensated Absences*.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

April 15, 2026

OHIO AUDITOR OF STATE KEITH FABER



WILLIAMSBURG LOCAL SCHOOL DISTRICT

CLERMONT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 5/7/2026

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