

**PERRYSBURG EXEMPTED
VILLAGE SCHOOL DISTRICT**

WOOD COUNTY, OHIO

SINGLE AUDIT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**



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Columbus, Ohio 43215
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Board of Education
Perrysburg Exempted Village School District
140 East Indiana Avenue
Perrysburg, Ohio 43551

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

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

Keith Faber
Auditor of State
Columbus, Ohio

February 07, 2025

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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

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Independent Auditor's Report

Perrysburg Exempted Village School District
Wood County
140 East Indiana Avenue
Perrysburg, Ohio 43551

To the Members of the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Perrysburg Exempted Village School District, Wood County, Ohio, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Perrysburg Exempted Village School District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Perrysburg Exempted Village School District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, for the fiscal year then ended in accordance with 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 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 Perrysburg Exempted Village School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Perrysburg Exempted Village School 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Perrysburg Exempted Village School 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 Perrysburg Exempted Village School 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, schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions, and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Perrysburg Exempted Village School District's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2024 on our consideration of the Perrysburg Exempted Village School District's internal control over financial reporting and on 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 Perrysburg Exempted Village School 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 Perrysburg Exempted Village School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.
December 11, 2024

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The management's discussion and analysis of the Perrysburg Exempted Village School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole; notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2024 are as follows:

- The District's net position of governmental activities increased \$8,189,050 which represents a 95.39% increase from 2023's net position.
- General revenues accounted for \$82,548,957 in revenue or 87.95% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$11,314,148 or 12.05% of total revenues of \$93,863,105.
- The District had \$85,674,055 in expenses related to governmental activities; only \$11,314,148 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$82,548,957 were adequate to provide for these programs.
- The District's major governmental fund is the general fund. The general fund had \$80,090,643 in revenues and other financing sources and \$71,788,221 in expenditures. During fiscal 2024, the general fund's fund balance increased \$8,302,422 from a balance of \$20,358,705 to \$28,661,127.

Using the Basic Financial Statements

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

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

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

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

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

In the statement of net position and statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance, pupil transportation, extracurricular activities, operation of non-instructional services, and food service operations.

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at 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 financial statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and statement of activities) and governmental funds is reconciled in the basic financial statements.

Proprietary Funds

The District maintains only one type of proprietary fund. The internal service fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District has an internal service fund to account for a self-insurance program which provides medical and dental benefits to employees.

Notes to the Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability/asset.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for June 30, 2024 and June 30, 2023.

	Net Position	
	Governmental Activities 2024	Governmental Activities 2023
<u>Assets</u>		
Current and other assets	\$ 115,863,190	\$ 103,673,891
Capital assets, net	64,613,057	67,367,344
Total assets	<u>180,476,247</u>	<u>171,041,235</u>
<u>Deferred outflows of resources</u>		
Unamortized deferred charges on debt refunding	854,594	943,541
Pensions	14,851,048	18,512,539
OPEB	2,788,794	2,215,742
Total deferred outflows of resources	<u>18,494,436</u>	<u>21,671,822</u>
<u>Liabilities</u>		
Current liabilities	11,291,662	10,259,109
Long-term liabilities:		
Due within one year	4,009,595	3,584,166
Due in more than one year:		
Net pension liability	67,027,944	69,455,841
Net OPEB liability	3,767,169	3,331,294
Other amounts	49,453,389	52,950,570
Total liabilities	<u>135,549,759</u>	<u>139,580,980</u>
<u>Deferred inflows of resources</u>		
Property taxes levied for next fiscal year	51,236,227	45,782,660
Payment in lieu of taxes levied for next fiscal year	441,122	315,376
Pensions	4,693,333	6,052,057
OPEB	7,445,636	9,566,428
Total deferred inflows of resources	<u>63,816,318</u>	<u>61,716,521</u>
<u>Net position</u>		
Net investment in capital assets	18,628,037	20,358,522
Restricted	11,501,996	8,251,330
Unrestricted (deficit)	<u>(30,525,427)</u>	<u>(37,194,296)</u>
Total net position (deficit)	<u>\$ (395,394)</u>	<u>\$ (8,584,444)</u>

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

GASB standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

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

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Analysis of Net Position

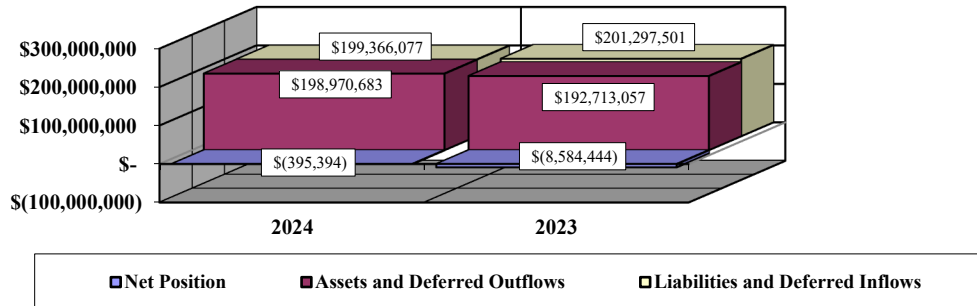
Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2024, the District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$395,394. Of this total, \$11,501,996 is restricted in use.

Total assets include a net OPEB asset reported by STRS.

At year-end, capital assets represented 35.80% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment and vehicles. The District's net investment in capital assets at June 30, 2024, was \$18,628,037. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$11,501,996, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position was a deficit of \$30,525,427.

The graph below illustrates the District's governmental activities assets plus deferred outflows of resources, liabilities plus deferred inflows of resources and net position at June 30, 2024 and 2023.



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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The table below shows the changes in net position for governmental activities between 2024 and 2023.

	Change in Net Position	
	Governmental Activities <u>2024</u>	Governmental Activities <u>2023</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 4,377,686	\$ 4,574,528
Operating grants and contributions	6,936,462	6,848,174
Capital grants and contributions	-	165,000
General revenues:		
Property taxes	53,095,058	50,922,675
Income taxes	10,252,130	9,703,097
Grants and entitlements	16,200,367	14,198,793
Payments in lieu of taxes	544,705	652,803
Investment earnings	2,400,740	1,235,931
Miscellaneous	<u>55,957</u>	<u>75,798</u>
Total revenues	<u>93,863,105</u>	<u>88,376,799</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	37,920,621	37,446,749
Special	12,185,153	11,545,616
Vocational	110,150	205,836
Other	175,704	185,769
Support services:		
Pupil	6,504,698	6,869,103
Instructional staff	1,312,307	1,303,675
Board of education	125,816	54,558
Administration	6,382,532	6,754,201
Fiscal	1,716,176	1,455,269
Business	293,933	241,792
Operations and maintenance	7,257,632	6,991,261
Pupil transportation	3,149,962	2,913,203
Central	2,030,683	2,068,296
Operations of non-instructional services		
Food service operations	2,272,602	2,116,933
Other non-instructional services	342,699	316,746
Extracurricular activities	2,292,019	2,313,355
Interest and fiscal charges	<u>1,601,368</u>	<u>1,672,725</u>
Total expenses	<u>85,674,055</u>	<u>84,455,087</u>
Change in net position	8,189,050	3,921,712
Net position (deficit) at beginning of year	<u>(8,584,444)</u>	<u>(12,506,156)</u>
Net position (deficit) at end of year	<u><u>\$ (395,394)</u></u>	<u><u>\$ (8,584,444)</u></u>

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

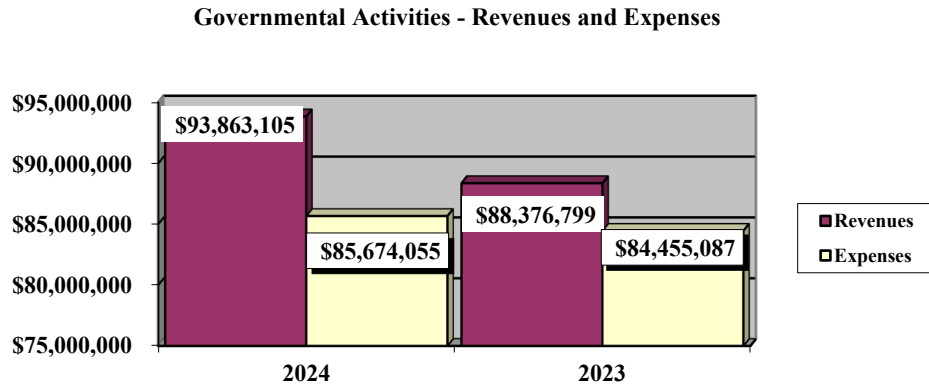
Governmental Activities

Net position of the District's governmental activities increased \$8,189,050. Total governmental expenses of \$85,674,055 were offset by program revenues of \$11,314,148 and general revenues of \$82,548,957. Program revenues supported 13.21% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes, school district income taxes, grants and entitlements and payments in lieu of taxes. These four sources of revenue total \$80,092,260 and represent 85.33% of total governmental revenue. Real estate property is reappraised every six years.

Overall, expenses of the governmental activities increased \$1,218,968. Expenses increased due to customary wage and benefit increases and due to the District's increasing enrollment resulting in the need for more staff.

The graph below presents the District's governmental activities revenue and expenses for fiscal years 2024 and 2023.



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2024 compared to 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

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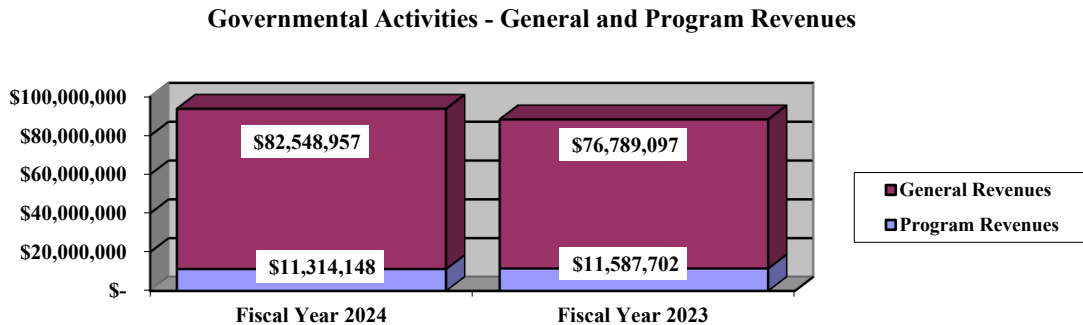
**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Governmental Activities			
	Total Cost of	Net Cost of	Total Cost of	Net Cost of
	Services	Services	Services	Services
	<u>2024</u>	<u>2024</u>	<u>2023</u>	<u>2023</u>
Program expenses:				
Instruction:				
Regular	\$ 37,920,621	\$ 35,353,362	\$ 37,446,749	\$ 34,282,447
Special	12,185,153	8,670,061	11,545,616	8,449,688
Vocational	110,150	32,850	205,836	117,749
Other	175,704	175,704	185,769	185,769
Support services:				
Pupil	6,504,698	5,718,041	6,869,103	6,112,023
Instructional staff	1,312,307	1,140,482	1,303,675	1,118,627
Board of Education	125,816	125,816	54,558	54,558
Administration	6,382,532	6,310,961	6,754,201	6,735,699
Fiscal	1,716,176	1,716,176	1,455,269	1,429,844
Business	293,933	293,933	241,792	241,792
Operations and maintenance	7,257,632	7,173,153	6,991,261	6,925,034
Pupil transportation	3,149,962	3,052,859	2,913,203	2,722,843
Central	2,030,683	1,886,124	2,068,296	1,948,997
Operation of non-instructional services:				
Food service operations	2,272,602	(17,592)	2,116,933	(157,858)
Other non-instructional services	342,699	3,249	316,746	(20,462)
Extracurricular activities	2,292,019	1,123,360	2,313,355	1,047,910
Interest and fiscal charges	<u>1,601,368</u>	<u>1,601,368</u>	<u>1,672,725</u>	<u>1,672,725</u>
Total expenses	<u>\$ 85,674,055</u>	<u>\$ 74,359,907</u>	<u>\$ 84,455,087</u>	<u>\$ 72,867,385</u>

The dependence upon tax and other general revenues for governmental activities is apparent as 87.78% of instruction activities, which total \$50,391,628, are supported through taxes and other general revenues. For all governmental activities, general revenue support is 86.79%.

The graph below presents the District's general and program revenues for fiscal years 2024 and 2023.



**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The District's Funds

The District's governmental funds reported a combined fund balance of \$38,524,975, which is greater than last year's total of \$31,756,586. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2024 and 2023.

	<u>Fund Balance June 30, 2024</u>	<u>Fund Balance June 30, 2023</u>	<u>Change</u>
General	\$ 28,661,127	\$ 20,358,705	\$ 8,302,422
Other governmental	<u>9,863,848</u>	<u>11,397,881</u>	<u>(1,534,033)</u>
Total	<u>\$ 38,524,975</u>	<u>\$ 31,756,586</u>	<u>\$ 6,768,389</u>

General Fund

The District's general fund balance increased \$6,768,389. The schedule below provides details on the revenues and expenditures of the general fund for fiscal years 2024 and 2023.

	<u>2024 Amount</u>	<u>2023 Amount</u>	<u>Percentage Change</u>
<u>Revenues</u>			
Taxes	\$ 57,496,748	\$ 55,115,985	4.32 %
Tuition and fees	1,562,540	1,569,818	(0.46) %
Earnings on investments	2,357,054	1,219,652	93.26 %
Intergovernmental	17,872,904	15,562,314	14.85 %
Other revenues	<u>800,679</u>	<u>891,308</u>	<u>(10.17) %</u>
Total	<u>\$ 80,089,925</u>	<u>\$ 74,359,077</u>	7.71 %

	<u>2024 Amount</u>	<u>2023 Amount</u>	<u>Percentage Change</u>
<u>Expenditures</u>			
Instruction	\$ 44,534,096	\$ 42,311,083	5.25 %
Support services	25,037,308	24,354,140	2.81 %
Operation of non-instructional services	5,563	6,157	(9.65) %
Extracurricular activities	1,250,718	1,325,897	(5.67) %
Facilities acquisition and construction	250,000	17,369	1,339.35 %
Debt service	<u>710,536</u>	<u>675,168</u>	5.24 %
Total	<u>\$ 71,788,221</u>	<u>\$ 68,689,814</u>	4.51 %

Revenues of the general fund increased approximately \$5.7 million compared to fiscal year 2023. This is due to the increase in taxes revenue. The increase in property taxes is due to the District's increased assessed valuation. Income tax revenue also remained strong. Earnings on investments increased due to higher interest rates on the District's investments.

Expenditures in the general fund increased approximately \$3.1 million from fiscal year 2023. This increase is a result of salary and benefit increases, inflationary increases in the prices of goods and services, and higher enrollment leading to the need for more staff.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

General Fund Budgeting Highlights

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

For fiscal year 2024, the original budgeted revenues and other financing sources were \$77,348,952. Final budgeted revenues and other financing sources were unchanged from the original budget. Actual revenues and other financing sources for fiscal year 2024 were \$80,107,571. Actual revenues and other financing sources were \$2,758,619 more than final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$77,877,758 were decreased to \$77,854,414 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2024 totaled \$71,837,746, which was \$6,016,668 less than the final budget appropriations.

Debt Administration and Capital Assets

Debt Administration

At June 30, 2024, the District had \$40,033,905 in general obligation bonds, \$1,419,995 in energy conservation notes and \$3,985,863 in financed purchase obligations. Of this total, \$3,594,287 is due within one year and \$41,845,476 is due in greater than one year.

The following table summarizes the bonds, notes and financed purchase obligations outstanding at June 30, 2024 and 2023.

Outstanding Debt, at Year End

	Governmental Activities <u>2023</u>	Governmental Activities <u>2023</u>
General obligation bonds	\$ 40,033,905	\$ 42,409,665
Energy conservation note	1,419,995	1,710,133
Financed purchase obligations	<u>3,985,863</u>	<u>4,213,379</u>
Total	<u>\$ 45,439,763</u>	<u>\$ 48,333,177</u>

At June 30, 2024, the District's overall legal debt margin was \$87,440,263 with an unvoted debt margin of \$1,388,098.

See Note 10 to the basic financial statements for further detail on the District's long-term obligations.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Capital Assets

At the end of fiscal 2024, the District had \$64,613,057 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. The following table shows fiscal 2024 balances compared to 2023:

**Capital Assets at June 30
(Net of Depreciation)**

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2023</u>
Land	\$ 4,370,152	\$ 4,370,152
Construction in progress	559,768	-
Land improvements	1,343,668	1,512,945
Building and improvements	54,363,761	56,863,204
Furniture and equipment	2,265,077	2,542,556
Vehicles	<u>1,710,631</u>	<u>2,078,487</u>
Total	<u>\$ 64,613,057</u>	<u>\$ 67,367,344</u>

Total additions to capital assets for 2024 were \$3,245,517. Total disposals (net of accumulated depreciation) were \$226,289. Depreciation recorded for the fiscal year totaled \$5,773,515.

The overall decrease in capital assets of \$2,754,287 is due to current year depreciation expense and disposals (net of accumulated depreciation) exceeding additions.

See Note 9 to the basic financial statements for further details on the District's capital assets.

Economic Conditions and Outlook

The District continues to experience the positive effects of a strong real estate market and the negative impact of a tight labor market. We continue to see signs of continuous economic growth throughout the District. Commercial and residential development continues. As a District that traditionally prospers from the effects of residential and commercial real estate growth and a continuous increased income tax stream has seen these resources continue to grow but at the same time, create economic challenges for the District.

The District is comprised of approximately 41 square miles in the north central portion of Wood County (the "County") and is bordered on the north by the Maumee River. Residential construction has resulted in significant growth in the population of the District during the past several years, and this growth is expected to continue into the foreseeable future. The City of Perrysburg (the "City") is an attractive municipality and is proud of its heritage. Although some residential development is occurring within the City boundaries, the majority of the current development is primarily in the southwest quadrant of the District, within Perrysburg and Middleton Townships. Development is primarily residential, although some retail and light manufacturing construction has occurred. The District is located in a reasonably good agricultural area, although agriculture is no longer a major contributor to the City or to the District. The City and the greater Toledo metropolitan area provide residents with many retail, commercial and light industrial advantages associated with small cities. Residents have the availability of a variety of shopping, entertainment and dining venues, as well as a steady mix of employment options. The District continues to play a vital role as a center of the community, and a sense of pride is evident within the District and throughout the community. The availability of new housing and transportation routes make the area attractive to families moving to this Northwest Ohio area. Those moving into the area have the advantages of the larger city conveniences and services while retaining the positives associated with the smaller, community-oriented environment. There has been a small decline in some of the major manufacturing and distribution companies in the nearby Toledo metropolitan area, but several opportunities still exist.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The District operates four K-5 elementary school buildings, one 5-6 intermediate school, one 7-8 middle school, and one 9-12 high school. The District continues to maintain the Commodore Building that is located in the central portion of the City, and that currently houses the central administration. Original construction dates for these school buildings range from 1894 to 2001, and most of the buildings have had one or more major additions. In general, the buildings have been well maintained; yet, changes in program requirements and the inflexibility of several of the buildings present limitations for the delivery of the instructional programs. The Commodore Building continues to be renovated for administrative offices. The building is home to not only the District's administrative personnel but is host to a number of professional development programs for education personnel across Northwest Ohio. The District community is changing. A different set of expectations for the schools comes with these changes. As new residents arrive and local conditions are altered, different work requirements and family expectations follow. The changing nature of agribusiness, manufacturing and service industries with new applications from technology creates the need for different skills for managers and workers. As residents are exposed to these changes in their home, business and work, they develop expectations for the schools that are different from those that have influenced the District in the past. Preparation to work in the information society is quite different from that required in the agriculture or industrial societies of the past. New and compelling research findings about both curriculum and A-1 instruction are finding their way into classrooms. All of these changes have potential for impact on teachers and teaching, as well as on school facilities and instructional materials.

The District is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution and various sections of the Revised Code. Under such laws, there is no authority for the District to have a charter or adopt local laws. The District is neither a part of, nor under the control of, the City. The territory of the District is considerably larger than the territory of the City.

Historically, real estate values throughout the District have increased at an average rate of almost two (1.77%) percent over the past ten years, in a non-triennial update or reappraisal year. The District has seen steady increases in the overall valuation since the 2011 reappraisal. Agricultural values have been adjusted on several occasions throughout the State to reflect more accurate CAUV (Current Agricultural Land Use Values) values. Voters renewed the incremental levy, originally approved by the community in 2004, in November of 2016. Currently the levy is collecting 9.40 mills. A fixed sum, incremental levy for new money, was passed in November 2019 and currently collects about \$13.5 million per year. The District's income tax collection continues to be a valuable resource. The District is at the 20 mil floor and therefore expects to see additional revenue in future years as property valuations continue to rise.

The District continues to implement very aggressive measures to balance the budget and provide some financial stability. As the District moves forward into fiscal year 2024, the staff and administration continue to look at future growth throughout the community and the challenges that overcrowding presents. Reliance on the State of Ohio for financial support continues to be a huge question. Perrysburg residents have been very supportive of the District. The local community has replaced a large portion of the funding that the state has taken away over the past several years with the approval of the incremental levy in 2016. With community support, the new levy in November 2019 will continue to make Perrysburg a destination district.

The District's expenditure levels continue to be reviewed and closely monitored. The administration has managed to control the growth of expenditures. A more structured budgeting process has been developed and implemented. Board committees continue to be utilized in terms of the approval and implementation of various District programs and the costs associated with those programs. Retirements and the replacement of a more experienced workforce with a new staff has also kept expenditure levels at higher than anticipated levels. We will continue to make containing costs a primary focus as we move into future years.

Instructional programs and curriculum adoptions have and will continue to be a primary focus of the District's administrative team. The District added an assistant director of teaching and learning to assist in some of the initiatives that have begun. The District implemented a one-to-one technology initiative in 2013-14 where students received laptop computers that are utilized in the instructional delivery and practice. Curriculum adoptions were placed on hold for several years due to financial restraints but schedules have been adopted to revisit and update courses of study. As the District continues to move forward with these curriculum updates and new technology initiatives, financial planning has become an integral part of this process. Costs for services for students with special needs continue to rise. This is such an uncontrollable cost. Court placed students with disabilities have a drastic impact on District finances. The District reviews these services on an annual basis to review their effectiveness for services and costs.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The District continues to grow in all aspects of economic development. Housing continues to rise and the District's enrollment continues to escalate at an explosive rate. Portable classrooms were purchased and installed at two elementary buildings in the District in the summer of 2013 at a cost of approximately \$550,000 to address the overcrowding issue. The District built an intermediate building which was completed in 2018. Voters approved the \$38,900,000 bond issue in November 2014. This removed the fifth grade from the elementary building and the sixth grade from the current junior high and allowed some additional growth to occur for a short time. But with the explosive growth, the buildings and future needs are a concern. New subdivisions are platted and building continues throughout the District. Several apartment complexes have added students to already maximum building capacities.

Several tax abatements were negotiated over the last year with new companies and existing companies expanding operations throughout the District. It is evident that the economy has had its effect on the ability for companies to build and expand like they have in the past but the activity is beginning to accelerate once again.

We are extremely pleased with the direction the District has taken instructionally and we continue to provide an outstanding education for the students in Perrysburg.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Randolph Drewyor, Treasurer, at Perrysburg Exempted Village School District, 140 E. Indiana Ave., Perrysburg, Ohio 43551.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 45,897,774
Receivables:	
Property taxes	58,480,773
Income taxes	4,803,332
Payment in lieu of taxes	441,122
Accounts	15,002
Accrued interest	66,625
Intergovernmental	1,141,681
Prepayments	61,436
Materials and supplies inventory	7,053
Inventory held for resale	7,627
Net OPEB asset	4,940,765
Capital assets:	
Nondepreciable capital assets	4,929,920
Depreciable capital assets, net	59,683,137
Capital assets, net	<u>64,613,057</u>
Total assets	<u>180,476,247</u>
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	854,594
Pension	14,851,048
OPEB	2,788,794
Total deferred outflows of resources	<u>18,494,436</u>
Liabilities:	
Accounts payable	317,147
Contracts payable	83,373
Retainage payable	273,639
Accrued wages and benefits	7,802,526
Intergovernmental payable	374,344
Pension and postemployment benefits payable	1,261,618
Accrued interest payable	138,790
Unearned revenue	38,725
Claims payable	1,001,500
Long-term liabilities:	
Due within one year	4,009,595
Due in more than one year:	
Net pension liability	67,027,944
Net OPEB liability	3,767,169
Other amounts due in more than one year	49,453,389
Total liabilities	<u>135,549,759</u>
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	51,236,227
Payment in lieu of taxes levied for the next fiscal year	441,122
Pension	4,693,333
OPEB	7,445,636
Total deferred inflows of resources	<u>63,816,318</u>
Net position:	
Net investment in capital assets	18,628,037
Restricted for:	
Capital projects	1,939,226
OPEB plans	4,940,765
Debt service	1,716,997
Scholarships	211,798
State funded programs	40,886
Food service operations	1,604,492
Extracurricular activities	922,364
Other purposes	125,468
Unrestricted (deficit)	<u>(30,525,427)</u>
Total net position (deficit)	<u>\$ (395,394)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 37,920,621	\$ 1,298,805	\$ 1,268,454	\$ (35,353,362)
Special	12,185,153	345,936	3,169,156	(8,670,061)
Vocational	110,150	-	77,300	(32,850)
Other	175,704	-	-	(175,704)
Support services:				
Pupil	6,504,698	38,242	748,415	(5,718,041)
Instructional staff	1,312,307	252	171,573	(1,140,482)
Board of education	125,816	-	-	(125,816)
Administration	6,382,532	200	71,371	(6,310,961)
Fiscal	1,716,176	-	-	(1,716,176)
Business	293,933	-	-	(293,933)
Operations and maintenance	7,257,632	62,721	21,758	(7,173,153)
Pupil transportation	3,149,962	-	97,103	(3,052,859)
Central	2,030,683	130,576	13,983	(1,886,124)
Operation of non-instructional services:				
Food service operations	2,272,602	1,363,983	926,211	17,592
Other non-instructional services	342,699	-	339,450	(3,249)
Extracurricular activities	2,292,019	1,136,971	31,688	(1,123,360)
Interest and fiscal charges	1,601,368	-	-	(1,601,368)
Totals	\$ 85,674,055	\$ 4,377,686	\$ 6,936,462	(74,359,907)
General revenues:				
Property taxes levied for:				
General purposes				47,294,648
Debt service				3,694,180
Capital outlay				2,106,230
Payments in lieu of taxes				544,705
Income taxes levied for:				
General purposes				10,252,130
Grants and entitlements not restricted				
to specific programs				16,200,367
Investment earnings				2,400,740
Miscellaneous				55,957
Total general revenues				82,548,957
Change in net position				8,189,050
Net position (deficit) at beginning of year				(8,584,444)
Net position (deficit) at end of year				\$ (395,394)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General	Nonmajor Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 26,603,766	\$ 9,808,828	\$ 36,412,594
Receivables:			
Property taxes	51,833,454	6,647,319	58,480,773
Income taxes	4,803,332	-	4,803,332
Payment in lieu of taxes	-	441,122	441,122
Accounts	10,018	1,115	11,133
Accrued interest	66,625	-	66,625
Intergovernmental	299,477	842,204	1,141,681
Prepayments	61,436	-	61,436
Materials and supplies inventory	-	7,053	7,053
Inventory held for resale	-	7,627	7,627
Due from other funds	439,590	-	439,590
Restricted assets:			
Equity in pooled cash and investments	1,270	-	1,270
Total assets	<u>\$ 84,118,968</u>	<u>\$ 17,755,268</u>	<u>\$ 101,874,236</u>
Liabilities:			
Accounts payable	\$ 247,682	\$ 64,792	\$ 312,474
Contracts payable	-	83,373	83,373
Retainage payable	-	273,639	273,639
Accrued wages and benefits	7,322,699	479,827	7,802,526
Compensated absences payable	29,046	-	29,046
Intergovernmental payable	368,560	5,784	374,344
Pension and postemployment benefits payable	1,188,445	73,173	1,261,618
Due to other funds	-	439,590	439,590
Unearned revenue	37,330	1,395	38,725
Total liabilities	<u>9,193,762</u>	<u>1,421,573</u>	<u>10,615,335</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	45,401,035	5,835,192	51,236,227
Payment in lieu of taxes levied for the next fiscal year	-	441,122	441,122
Delinquent property tax revenue not available	145,290	18,442	163,732
Income tax revenue not available	651,129	-	651,129
Intergovernmental revenue not available	-	175,091	175,091
Accrued interest not available	66,625	-	66,625
Total deferred inflows of resources	<u>46,264,079</u>	<u>6,469,847</u>	<u>52,733,926</u>
Fund balances:			
Nonspendable	61,436	7,053	68,489
Restricted	1,270	7,934,350	7,935,620
Committed	757,033	2,094,913	2,851,946
Assigned	1,592,120	-	1,592,120
Unassigned (deficit)	<u>26,249,268</u>	<u>(172,468)</u>	<u>26,076,800</u>
Total fund balances	<u>28,661,127</u>	<u>9,863,848</u>	<u>38,524,975</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 84,118,968</u>	<u>\$ 17,755,268</u>	<u>\$ 101,874,236</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2024

Total governmental fund balances		\$ 38,524,975
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		64,613,057
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 163,732	
Income taxes receivable	651,129	
Accrued interest receivable	66,625	
Intergovernmental receivable	175,091	
Total		1,056,577
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		8,481,606
Unamortized premiums on bonds issued are not recognized in the funds.		(2,356,847)
Unamortized amounts on refundings are not recognized in the funds.		854,594
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(138,790)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows - pension	14,851,048	
Deferred inflows - pension	(4,693,333)	
Net pension liability	(67,027,944)	
Deferred outflows - OPEB	2,788,794	
Deferred inflows - OPEB	(7,445,636)	
Net OPEB asset	4,940,765	
Net OPEB liability	(3,767,169)	
Total		(60,353,475)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(40,033,905)	
Financed purchase obligations	(3,985,863)	
Compensated absences	(5,637,328)	
Energy conservation note	(1,419,995)	
Total		(51,077,091)
Net position of governmental activities		<u><u>\$ (395,394)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	\$ 47,280,486	\$ 5,797,865	\$ 53,078,351
Income taxes	10,216,262	-	10,216,262
Intergovernmental	17,872,904	5,179,455	23,052,359
Investment earnings	2,357,054	85,622	2,442,676
Tuition and fees	1,562,540	12,202	1,574,742
Extracurricular	196,938	824,320	1,021,258
Rental income	61,236	-	61,236
Charges for services	148,381	1,379,496	1,527,877
Contributions and donations	109	38,929	39,038
Payment in lieu of taxes	212,521	347,184	559,705
Miscellaneous	181,494	32,653	214,147
Total revenues	<u>80,089,925</u>	<u>13,697,726</u>	<u>93,787,651</u>
Expenditures:			
Current:			
Instruction:			
Regular	34,085,585	1,435,656	35,521,241
Special	10,163,931	1,613,159	11,777,090
Vocational	122,017	-	122,017
Other	162,563	-	162,563
Support services:			
Pupil	5,894,509	315,603	6,210,112
Instructional staff	1,063,859	172,012	1,235,871
Board of education	124,291	-	124,291
Administration	6,013,927	31,671	6,045,598
Fiscal	1,601,149	90,514	1,691,663
Business	220,133	38,491	258,624
Operations and maintenance	6,065,722	94,014	6,159,736
Pupil transportation	2,601,546	86,944	2,688,490
Central	1,452,172	479,299	1,931,471
Operation of non-instructional services:			
Food service operations	-	2,199,926	2,199,926
Other non-instructional services	5,563	336,647	342,210
Extracurricular activities	1,250,718	848,852	2,099,570
Facilities acquisition and construction	250,000	3,436,207	3,686,207
Debt service:			
Principal retirement	517,654	2,492,197	3,009,851
Interest and fiscal charges	192,882	1,416,429	1,609,311
Accreted interest on capital appreciation bonds	-	177,803	177,803
Total expenditures	<u>71,788,221</u>	<u>15,265,424</u>	<u>87,053,645</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,301,704</u>	<u>(1,567,698)</u>	<u>6,734,006</u>
Other financing sources (uses):			
Sale of assets	-	34,383	34,383
Transfers in	718	15,167	15,885
Transfers (out)	-	(15,885)	(15,885)
Total other financing sources (uses)	<u>718</u>	<u>33,665</u>	<u>34,383</u>
Net change in fund balances	8,302,422	(1,534,033)	6,768,389
Fund balances at beginning of year	<u>20,358,705</u>	<u>11,397,881</u>	<u>31,756,586</u>
Fund balances at end of year	<u>\$ 28,661,127</u>	<u>\$ 9,863,848</u>	<u>\$ 38,524,975</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Net change in fund balances - total governmental funds	\$	6,768,389
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 3,245,517	
Current year depreciation	<u>(5,773,515)</u>	
Total		(2,527,998)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(226,289)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	16,707	
Income taxes	35,868	
Payment in lieu of taxes	(15,000)	
Earnings on investments	43,686	
Intergovernmental	<u>(40,190)</u>	
Total		41,071
Repayment of bond, financed purchase and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
Principal	3,009,851	
Payment of accreted interest on capital appreciation bonds	<u>177,803</u>	
Total		3,187,654
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	3,490	
Accreted interest on capital appreciation bonds	(294,240)	
Amortization of bond premiums	387,640	
Amortization of deferred charges	<u>(88,947)</u>	
Total		7,943
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	6,449,866	
OPEB	<u>157,976</u>	
Total		6,607,842
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(6,324,736)	
OPEB	<u>410,524</u>	
Total		(5,914,212)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(197,201)
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>441,851</u>
Change in net position of governmental activities	\$	<u>8,189,050</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Governmental Activities - Internal Service Fund
Assets:	
Equity in pooled cash and investments	\$ 9,483,910
Receivables:	
Accounts	3,869
Total assets	<u>9,487,779</u>
Liabilities:	
Accounts payable	4,673
Claims payable	1,001,500
Total liabilities	<u>1,006,173</u>
Net position:	
Unrestricted	<u>8,481,606</u>
Total net position	<u><u>\$ 8,481,606</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Governmental Activities - Internal Service Fund
Operating revenues:	
Charges for services	\$ 11,371,581
Operating expenses:	
Purchased services	1,825,239
Claims	9,104,491
Total operating expenses	<u>10,929,730</u>
Change in net position	441,851
Net position at beginning of year	<u>8,039,755</u>
Net position at end of year	<u><u>\$ 8,481,606</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Governmental Activities - Internal Service Fund
Cash flows from operating activities:	
Cash received from charges for services	\$ 11,367,712
Cash payments for purchased services	(1,823,852)
Cash payments for claims	(8,954,391)
	<hr/>
Net cash provided by operating activities	589,469
	<hr/>
Cash and investments at beginning of year	8,894,441
Cash and investments at end of year	<u>\$ 9,483,910</u>
	<hr/>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 441,851
Changes in assets and liabilities:	
Accounts receivable	(3,869)
Accounts payable	1,387
Claims payable	150,100
	<hr/>
Net cash provided by operating activities	<u>\$ 589,469</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Perrysburg Exempted Village School District (the "District") is located in Wood County in northwest Ohio.

The District is organized under Sections 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

It currently operates 4 elementary schools, 1 intermediate school, 1 junior high school, and 1 comprehensive high school. The District employs 35 administrators, 293 non-certified and 419 certified full-time and part-time employees to provide services to approximately 5,538 students and various community groups.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (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 District's significant accounting policies are described below.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

JOINTLY GOVERNED ORGANIZATIONS

Northwest Ohio Computer Association

The District is a participant in the Northwest Ohio Computer Association (NWOCA). NWOCA is a program of the Northern Buckeye Education Council. 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 educational entities. NWOCA is governed by the Northern Buckeye Education Council as described below. Financial information can be obtained from Tammy Butler, who serves as Treasurer, at 209 Nolan Parkway, P.O. Box 407, Archbold, Ohio 43502.

Northern Buckeye Education Council

The Northern Buckeye Education Council (NBEC) was established in 1979 to foster cooperation among school districts located in Defiance, Fulton, Henry, Lucas, Williams, and Wood counties. NBEC is organized under Ohio laws as a regional council of governments pursuant to a written agreement entered into by its member entities and bylaws adopted by the representatives of the member educational entities. NBEC is governed by an elected Board consisting of two representatives from each of the counties in which the member educational entities are located. The Board is elected from an Assembly consisting of a representative from each participating educational entity. To obtain financial information write to the Northern Buckeye Education Council, Tammy Butler, who serves as Treasurer, at 209 Nolan Parkway, PO Box 407, Archbold, Ohio 43502.

Penta Career Center

The Penta Career Center (the "Center") is a separate body politic and corporate, established by the Ohio Revised Code (ORC) to provide vocational and special education needs of the students. The Center accepts non-tuition students from the District as a member school; however, it is considered a separate political subdivision and is not considered to be part of the District. Financial information can be obtained from the Penta County Career Center, Michael Harrigan, who serves as Treasurer, at 9301 Buck Road, Perrysburg, Ohio 43551.

B. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. The District has no fiduciary funds.

GOVERNMENTAL FUNDS

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

The following is the District's major governmental fund:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) the accumulation of resources and payment of general obligation bond principal and interest, and (c) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

PROPRIETARY FUND

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no enterprise funds. The following is a description of the District's internal service fund:

Internal service fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The only internal service fund of the District accounts for a self-insurance program, which provides dental, vision, medical/surgical and life insurance benefits to employees.

C. Basis of Presentation and Measurement Focus

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund operating activity is eliminated to avoid overstatement of revenues and expenses.

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

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows, liabilities and deferred inflows associated with the operation of the District are included on the statement of net position.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenue of the District's internal service fund is charges for services. Operating expenses for internal service funds include claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Basis of Accounting

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

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, includes property taxes, income 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 6). Revenue from income taxes is recognized in the fiscal year in which the underlying exchange transaction occurred (See Note 7).

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 13 and 14 for deferred outflows of resources related to net pension liability and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes, income taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 13 and 14 for deferred inflows of resources related to net pension liability and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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

E. Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education.

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Wood County Budget Commission for rate determination. The Wood County Budget Commission waived the tax budget filing requirement for fiscal year 2024.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

Estimated Resources:

By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary schedules reflect the amounts in the original and final amended certificate of estimated resources issued during the fiscal year.

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures may not exceed the appropriation totals at the fund level which is the legal level of control. Any revisions that alter appropriations at the fund level must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, all supplemental appropriations were legally enacted.

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

F. Cash and Investments

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

During fiscal year 2024, investments were limited to federal agency securities, commercial paper, U.S. Treasury notes, a U.S. Government money market and the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value, which is based on quoted market prices.

STAR 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 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.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

There were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24-hour notice in advance of all deposits and withdrawals exceeding \$100 million is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2024 amounted to \$2,357,054, which includes \$1,042,619 assigned from other District funds.

For presentation on the basic financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents.

An analysis of the District's investment account at fiscal year-end is provided in Note 4.

G. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

H. Prepaids

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the financial statements using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

I. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. During fiscal year 2024, the District maintained a capitalization threshold of \$5,000 for its capital assets. In addition, a capital asset must have an estimated useful life greater than one year. All capital assets are capitalized at cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at their acquisition values as of the date received. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are reported as expenditures of the current period in the governmental fund financial statements.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>
Land improvements	20 years
Buildings and improvements	20 - 50 years
Furniture and equipment	5 - 20 years
Vehicles	8 - 10 years

J. Interfund Balances

On fund financial statements, receivables and payables resulting from cash deficits among the governmental activities are classified as amounts “due to/from other funds”. These amounts are eliminated in the governmental activities column on the statement of net position.

K. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees’ rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future.

For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service or any employee with fifteen years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2024 and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

L. 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, is paid in a timely manner and, in full from current financial resources is reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current 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. Bonds, financed purchase agreements and notes are recognized as a liability on the fund financial statements when due.

M. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the 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 classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District 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 District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

N. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets include amounts for school bus purchases. See Note 16 for details.

O. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes represents amounts restricted for education foundation and other grants.

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

P. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Q. Parochial School

The St. Rose School, a parochial school located within the District boundaries operated through the Toledo Catholic Archdiocese. Current State legislation provides funding to this parochial school, which is received and disbursed on behalf of the parochial school by the Treasurer of the District, as directed by the parochial school. The administration of the State monies by the District is reflected in a special revenue fund for financial reporting purposes.

R. Unamortized Bond Premium and Deferred Charges on Refunding

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 10.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter and is presented as a deferred outflow or inflow of resources on the statement of net position.

S. 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. Neither type of transaction occurred during fiscal year 2024.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

T. Interfund Activity

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

Interfund activities between governmental funds are eliminated in the statement of activities.

U. Pensions/Other Postemployment Benefits (OPEB)

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

V. Fair Value

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2024, the District has implemented certain paragraphs from GASB Implementation Guide No. 2021-1, certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*", GASB Statement No. 100, "*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*" and Implementation Guide No. 2023-1.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on balances previously report by the District.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the District.

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2023-1 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2024 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
ESSER	\$ 68,209
Title VI-B	96,684
Title I	4,839
IDEA handicapped preschool	2,736

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the 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 of Education 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 Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities 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 that the fair 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 that the term of the agreement must not exceed thirty days;

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 items (1) and (2) above 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, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain banker's acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

At fiscal year end, the District had \$19,835 in undeposited cash on hand which is included on the financial statements of the District as part of "equity in pooled cash and investments".

B. Deposits with Financial Institutions

At June 30, 2024, the carrying amount of all District deposits was \$6,384,806. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2024, \$2,068,788 of the District's bank balance of \$6,649,159 was exposed to custodial risk as discussed below, while \$4,580,371 was covered by the FDIC.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) 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 fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For fiscal year 2024, the District's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

C. Investments

Measurement/ Investment type	Measurement value	Investment maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair value:						
U.S. Treasury notes	\$ 2,096,211	\$ -	\$ 216,429	\$ 340,633	\$ 270,401	\$ 1,268,748
Commercial paper	1,242,287	780,906	461,381	-	-	-
U.S. Government money market	13,960	13,960	-	-	-	-
FHLB	2,549,096	506,945	504,265	-	499,112	1,038,774
FFCB	503,289	-	-	-	99,178	404,111
Net asset value per share:						
STAR Ohio	33,088,290	33,088,290	-	-	-	-
	\$ 39,493,133	\$ 34,390,101	\$ 1,182,075	\$ 340,633	\$ 868,691	\$ 2,711,633

The weighted average maturity of investments is 0.37 years.

The District's investments in U.S. Government money market funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities, commercial paper and U.S. Treasury notes are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: STAR Ohio and the U.S. Government money market carry ratings of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The District's investments in commercial paper were rated P-1 by Moody's Investor Services and A-1 or A-1+ by Standard & Poor's. The District's investments in federal agency securities and U.S. Treasury notes were rated Aaa by Moody's Investor Services and AA+ by Standard and Poor's. The District's investment policy does not specifically address credit risk beyond requiring the District to only invest in securities authorized by State statute.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's commercial paper, U.S. Treasury notes and federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirements of State statute.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2024:

<u>Measurement/ Investment type</u>	<u>Measurement value</u>	<u>% of Total</u>
<i>Fair value:</i>		
U.S. Treasury notes	\$ 2,096,211	5.31
Commercial paper	1,242,287	3.15
U.S. Government money market	13,960	0.04
FHLB	2,549,096	6.45
FFCB	503,289	1.27
<i>Net asset value per share:</i>		
STAR Ohio	33,088,290	83.78
	<u>\$39,493,133</u>	<u>100.00</u>

D. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2024:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 6,384,806
Investments	39,493,133
Cash on hand	<u>19,835</u>
Total	<u>\$ 45,897,774</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	<u>\$ 45,897,774</u>

NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund balances at June 30, 2024, as reported on the fund statements, consist of the following amounts due to and due from other funds:

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 439,590

The purpose of the amount due to/from other funds is to cover negative cash balances in the nonmajor governmental funds. The interfund balance will be repaid once the anticipated revenues are received and is expected to be repaid within one year.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

Interfund balances between governmental funds are eliminated on the statement of net position.

- B.** Interfund transfers for the year ended June 30, 2024, consisted of the following, as reported on the fund financial statements:

<u>Transfers from nonmajor governmental funds to:</u>	<u>Amount</u>
General fund	\$ 718
Nonmajor governmental funds	15,167
	<u>\$ 15,885</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The transfers reported in fiscal year 2024 were made from the student managed activities fund (a nonmajor governmental fund) to the public school support fund (part of the general fund) and the permanent improvement fund (a nonmajor governmental fund) to close out inactive cost centers. The District also transferred inactive funds from the building fund (a nonmajor governmental fund) to the permanent improvement fund (a nonmajor governmental fund).

All transfers made in fiscal year 2024 were in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16. Transfers between governmental funds are eliminated for reporting on the government-wide financial statements.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2024 represent the collection of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2023, on the assessed values as of January 1, 2023, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2024 represent the collection of calendar year 2023 taxes. Public utility real and personal property taxes received in calendar year 2024 became a lien on December 31, 2022, were levied after April 1, 2023, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 6 - PROPERTY TAXES - (Continued)

The District receives property taxes from Wood County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2024, are available to finance fiscal year 2024 operations. The amount available as an advance at June 30, 2024 and 2023 were:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Major governmental fund:		
General fund	\$ 6,287,129	\$ 7,353,022
Nonmajor governmental funds:		
Debt service fund	506,391	566,515
Permanent improvement fund	287,294	323,354

The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2024 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported 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.

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

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

	2023 Second Half Collections		2024 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,083,602,930	96.30	\$ 1,346,800,730	97.02
Public utility personal	<u>41,663,350</u>	<u>3.70</u>	<u>41,297,700</u>	<u>2.98</u>
Total	<u>\$ 1,125,266,280</u>	<u>100.00</u>	<u>\$ 1,388,098,430</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 77.71		\$ 74.65	

NOTE 7 - INCOME TAXES

In 1991, the voters of the District passed a .5% school income tax on wages earned by residents of the District. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund and totaled \$10,216,262 on the governmental fund financial statements during fiscal year 2024.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 8 - RECEIVABLES

Receivables at June 30, 2024 consisted of property taxes, school district income taxes, accrued interest, payments in lieu of taxes, accounts (billings for user charged services and student fees) and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:

Property taxes	\$ 58,480,773
School district income tax	4,803,332
Payments in lieu of taxes	441,122
Intergovernmental	1,141,681
Accrued interest	66,625
Accounts	<u>15,002</u>
Total	<u>\$ 64,948,535</u>

Receivables have been disaggregated on the face of the financial statements. All receivables are expected to be collected in the subsequent year.

NOTE 9 - CAPITAL ASSETS

Capital asset activity for fiscal year 2024 is as follows:

	Balance <u>June 30, 2023</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2024</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,370,152	\$ -	\$ -	\$ 4,370,152
Construction in progress	<u>-</u>	<u>559,768</u>	<u>-</u>	<u>559,768</u>
Total capital assets, not being depreciated	<u>4,370,152</u>	<u>559,768</u>	<u>-</u>	<u>4,929,920</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	8,660,138	468,850	-	9,128,988
Buildings and improvements	122,052,846	2,049,960	-	124,102,806
Furniture and equipment	9,673,258	166,939	(265,306)	9,574,891
Vehicles	<u>4,729,642</u>	<u>-</u>	<u>-</u>	<u>4,729,642</u>
Total capital assets, being depreciated	<u>145,115,884</u>	<u>2,685,749</u>	<u>(265,306)</u>	<u>147,536,327</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(7,147,193)	(169,277)	-	(7,316,470)
Buildings and improvements	(65,189,642)	(4,549,403)	-	(69,739,045)
Furniture and equipment	(7,130,702)	(686,979)	39,017	(7,778,664)
Vehicles	<u>(2,651,155)</u>	<u>(367,856)</u>	<u>-</u>	<u>(3,019,011)</u>
Total accumulated depreciation	<u>(82,118,692)</u>	<u>(5,773,515)</u>	<u>39,017</u>	<u>(87,853,190)</u>
Depreciable capital assets, net	<u>62,997,192</u>	<u>(3,087,766)</u>	<u>(226,289)</u>	<u>59,683,137</u>
Governmental activities capital assets, net	<u>\$ 67,367,344</u>	<u>\$ (2,527,998)</u>	<u>\$ (226,289)</u>	<u>\$ 64,613,057</u>

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 2,590,005
Special	540,421
Vocational	9,620
Other	15,407

Support services:

Pupil	436,204
Instructional staff	83,263
Board of education	1,525
Administration	393,785
Fiscal	54,460
Business	14,952
Operations and maintenance	773,312
Pupil transportation	491,995
Central	105,320

Operation of non-instructional services:

Food service operations	104,006
Other non-instructional services	573
Extracurricular activities	<u>158,667</u>

Total depreciation expense	<u><u>\$ 5,773,515</u></u>
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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 10 - LONG-TERM OBLIGATIONS

A. The changes in the District's long-term obligations during the year consist of the following:

	Balance Outstanding June 30, 2023	Additions	Reductions	Balance Outstanding June 30, 2024	Amounts Due in One Year
Governmental activities:					
<u>General obligation bonds:</u>					
2015 school improvement bonds	\$ 20,225,000	\$ -	\$ (265,000)	\$ 19,960,000	\$ 295,000
2016 refunding bonds	6,770,000	-	(2,125,000)	4,645,000	2,295,000
2022 refunding bonds:					
Current interest bonds	14,930,000	-	-	14,930,000	-
Capital appreciation bonds	237,707	-	(102,197)	135,510	56,599
Accreted interest	246,958	294,240	(177,803)	363,395	151,771
Total 2022 refunding bonds	15,414,665	294,240	(280,000)	15,428,905	208,370
Total general obligation bonds payable	42,409,665	294,240	(2,670,000)	40,033,905	2,798,370
<u>Other long-term obligations:</u>					
Financed purchase agreements	4,213,379	-	(227,516)	3,985,863	496,863
Energy conservation note	1,710,133	-	(290,138)	1,419,995	299,054
Net pension liability	69,455,841	-	(2,427,897)	67,027,944	-
Net OPEB liability	3,331,294	435,875	-	3,767,169	-
Compensated absences	5,457,072	565,497	(356,195)	5,666,374	415,308
Total other long-term obligations	84,167,719	1,001,372	(3,301,746)	81,867,345	1,211,225
Total long-term obligations governmental activities	\$ 126,577,384	\$ 1,295,612	\$ (5,971,746)	121,901,250	\$ 4,009,595
Unamortized premium on bonds				2,356,847	
Total on statement of net position				\$ 124,258,097	

Series 2015 general obligation bonds: On March 25, 2015, the District issued \$38,900,000 of general obligation bonds for the purpose of constructing, renovating, remodeling, adding to, furnishing, equipping and otherwise improving District buildings and facilities and acquiring, improving and equipping real estate and interests for District purposes. The issue is made up of serial and term bonds, bears interest rates ranging from 2.00-5.00% and matures on December 1, 2043.

On March 17, 2022, the District issued \$15,434,627 (series 2022 refunding bonds) to advance refund a portion of the bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

Series 2016 refunding general obligation bonds: - On September 6, 2016, the District issued 2016 refunding general obligation bonds to currently refund the District's 2006 and 2007 advance refunding general obligation bonds. The issuance proceeds of \$16,929,574 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and, accordingly, has been removed from the statement of net position.

The issue is comprised of current interest refunding bonds, par value \$14,690,000. The interest rate on the current interest refunding bonds ranges from 1.5 - 5.0% with interest payments due on June 1 and December 1 of each year until final maturity at December 1, 2025.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$304,344. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

Series 2022 refunding bonds - On March 17, 2022, the District issued general obligation bonds (series 2022 refunding bonds) to advance refund a portion of the series 2015 current interest general obligation bonds. The issuance proceeds of \$17,136,048 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The principal balance outstanding of the defeased bonds was \$15,445,000 at June 30, 2024.

The refunding issue is comprised of both current interest bonds, par value \$14,930,000, and capital appreciation bonds, par value \$504,627. The interest rate on the current interest bonds ranges from 2.25-3.35%. The capital appreciation bonds mature on December 1 of the years 2022-2027 (approximate initial offering yield to maturity range 1.30% - 2.60%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$2,405,000. A total of \$363,395 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2024.

The reacquisition price exceeded the net carrying amount of the old debt by \$936,420. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

Interest payments on the current interest bonds are due December 1 and June 1 each year. The final maturity stated on the issue is December 1, 2038.

All general obligation bonds are paid from the debt service fund, a nonmajor governmental fund.

Energy conservation note: On September 19, 2013, the District issued \$4,069,476 in energy conservation notes for energy improvements to all existing buildings. The notes were issued for a fifteen-year period, with final maturity in fiscal year 2029. The notes bear an interest rate of 3.0499% and are retired through the general fund.

Financed purchase agreements: The District entered into one financed purchase agreement for school buses and one to finance energy saving improvements.

Fiscal year 2020 agreement: On December 20, 2019, the District entered into a financing agreement with Huntington Public Capital Corporation for \$1,107,540 to purchase twelve school buses. The agreement bears an interest rate of 2.79% with final maturity on December 12, 2024. Principal and interest paid for fiscal year 2024 was \$227,516 and \$12,872, respectively. The payment is paid from the general fund.

Fiscal year 2023 agreement: On June 21, 2023, the District entered into a financing agreement with TD Equipment Finance, Inc. for \$3,752,000 to finance energy saving improvements. The agreement bears an interest rate of 3.67% with final maturity on December 1, 2033. Interest of \$130,048 was paid for fiscal year 2024. The first principal payment is due on December 1, 2024. The payments are made from the general fund. At fiscal year-end, \$950,613 of the proceeds of this agreement were unspent.

These agreements are considered direct borrowings with terms negotiated between the District and the financing companies and are not offered for public sale. In the event of default, the financing companies may (1) declare the full amount of the then unpaid loan to be immediately due and payable and/or require the District to pay any fines, penalties, interest or late charges associated with the default or (2) take possession of the buses without demand or notice.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Compensated absences: Compensated absences will be paid from the fund from which the employees' salaries are paid. Compensated absences will be paid from the general fund and the food service fund, a nonmajor governmental fund.

Net pension liability: A discussion of the District's net pension liability is located in Note 13.

Net OPEB liability: A discussion of the District's net OPEB liability is located in Note 14.

B. Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2024, are as follows:

Fiscal Year Ended	2015 School Improvement Bonds			2016 Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 295,000	\$ 730,106	\$ 1,025,106	\$ 2,295,000	\$ 151,375	\$ 2,446,375
2026	355,000	719,319	1,074,319	2,350,000	47,000	2,397,000
2027	1,225,000	687,719	1,912,719	-	-	-
2028	-	663,219	663,219	-	-	-
2029	-	663,219	663,219	-	-	-
2030 - 2034	3,375,000	3,202,541	6,577,541	-	-	-
2035 - 2039	1,790,000	2,453,825	4,243,825	-	-	-
2040 - 2044	12,920,000	1,253,999	14,173,999	-	-	-
Total	<u>\$ 19,960,000</u>	<u>\$ 10,373,947</u>	<u>\$ 30,333,947</u>	<u>\$ 4,645,000</u>	<u>\$ 198,375</u>	<u>\$ 4,843,375</u>

Fiscal Year Ended	2022 Refunding Bonds					
	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ -	\$ 417,447	\$ 417,447	\$ 56,599	\$ 223,401	\$ 280,000
2026	-	417,448	417,448	31,343	248,657	280,000
2027	-	417,447	417,447	17,357	262,643	280,000
2028	700,000	409,573	1,109,573	30,211	849,789	880,000
2029	1,600,000	382,898	1,982,898	-	-	-
2030 - 2034	5,505,000	1,364,957	6,869,957	-	-	-
2035 - 2039	7,125,000	592,331	7,717,331	-	-	-
Total	<u>\$ 14,930,000</u>	<u>\$ 4,002,101</u>	<u>\$ 18,932,101</u>	<u>\$ 135,510</u>	<u>\$ 1,584,490</u>	<u>\$ 1,720,000</u>

Fiscal Year Ended	Direct Borrowings					
	Financed Purchase Agreements			Energy Conservation Note		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 496,863	\$ 142,921	\$ 639,784	\$ 299,054	\$ 41,046	\$ 340,100
2026	334,000	121,917	455,917	308,245	31,855	340,100
2027	347,000	109,421	456,421	317,718	22,382	340,100
2028	359,000	96,466	455,466	327,482	12,618	340,100
2029	372,000	83,052	455,052	167,496	2,554	170,050
2030 - 2034	2,077,000	196,070	2,273,070	-	-	-
Total	<u>\$ 3,985,863</u>	<u>\$ 749,847</u>	<u>\$ 4,735,710</u>	<u>\$ 1,419,995</u>	<u>\$ 110,455</u>	<u>\$ 1,530,450</u>

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

C. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2024, are a voted debt margin of \$87,440,263 (including available funds of \$2,181,914) and an unvoted debt margin of \$1,388,098.

NOTE 11 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees, with one or more years of service, earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service. Sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement varies by classification. Certified and non-certified staff entitled to receive four days per year for each of the last ten years of District service. In addition, if the teacher completes their last six years of service with the maximum accumulated sick leave balance, they will receive an additional six days of severance.

NOTE 12 - RISK MANAGEMENT

A. Comprehensive

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; and natural disasters for which the District maintains comprehensive insurance with private carriers for real property, building contents, vehicles and general liability insurance. Vehicle policies include liability coverage for bodily injury and property damage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year.

B. Workers' Compensation Rating Program

The District participates in the Bureau of Worker's Compensation retrospective rating program. The District hired David Kaderavek of Kaderavek LP, LLC of Perrysburg, Ohio to serve as the administrator of District's program.

C. Employee Group Life, Medical/Surgical, Dental and Vision Insurance

The District has established an internal service "self-insurance" fund, in conjunction with a formalized risk management program, in an effort to minimize risk exposure and control claims and premium costs.

This self-insurance fund was established for the purpose of accumulating balances sufficient to self-insure basic medical coverage and permit excess umbrella coverage for claims over a pre-determined level. Board and employee premium contributions are determined by negotiated agreement. Amounts are paid into this fund from the general fund and certain nonmajor governmental funds. Claims payments are made on an as-incurred basis, thus no "reserve" remains with the insurance carrier.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 12 - RISK MANAGEMENT - (Continued)

Expenses for claims are recorded as other expenses when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount.

Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment assumptions as determined by the third party administrator. These liabilities are reported at their present value of \$1,001,500 at June 30, 2024 and are based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling claims.

Changes in claims activity for the 2024 and 2023 fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2024	\$ 851,400	\$ 9,104,491	\$ (8,954,391)	\$ 1,001,500
2023	772,300	8,097,278	(8,018,178)	851,400

NOTE 13 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability/Asset

The net pension liability and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

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

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 14 for the required OPEB disclosures.

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire 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; or 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% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0%. In 2023, the Board of Trustees approved a 2.5% cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2024.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the District is required to contribute 14.00% 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 10.00% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2024, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The District's contractually required contribution to SERS was \$1,302,757 for fiscal year 2024. Of this amount, \$165,210 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, a one-time ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a one-time ad-hoc COLA of 1 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019. Pursuant to Ohio Revised Code 3307.67(E) the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The DC Plan allows members to place all of their member contributions and 11.09% of the 14% 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% of the 14% 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% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 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.

Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

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

The District's contractually required contribution to STRS was \$5,147,109 for fiscal year 2024. Of this amount, \$875,572 is reported as pension and postemployment benefits payable.

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

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 prior measurement date	0.231724600%	0.256059600%	
Proportion of the net pension liability current measurement date	<u>0.222968600%</u>	<u>0.254041960%</u>	
Change in proportionate share	<u>-0.008756000%</u>	<u>-0.002017640%</u>	
Proportionate share of the net pension liability	\$ 12,320,166	\$ 54,707,778	\$ 67,027,944
Pension expense	\$ 1,198,441	\$ 5,126,295	\$ 6,324,736

At June 30, 2024, the 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>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 529,549	\$ 1,994,534	\$ 2,524,083
Changes of assumptions	87,271	4,505,482	4,592,753
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	323,304	961,042	1,284,346
Contributions subsequent to the measurement date	<u>1,302,757</u>	<u>5,147,109</u>	<u>6,449,866</u>
Total deferred outflows of resources	<u>\$ 2,242,881</u>	<u>\$ 12,608,167</u>	<u>\$ 14,851,048</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 121,401	\$ 121,401
Net difference between projected and actual earnings on pension plan investments	173,166	163,959	337,125
Changes of assumptions	-	3,391,333	3,391,333
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>304,652</u>	<u>538,822</u>	<u>843,474</u>
Total deferred inflows of resources	<u>\$ 477,818</u>	<u>\$ 4,215,515</u>	<u>\$ 4,693,333</u>

\$6,449,866 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2025	\$ 308,420	\$ (101,794)	\$ 206,626
2026	(575,424)	(1,523,862)	(2,099,286)
2027	720,133	5,299,280	6,019,413
2028	<u>9,177</u>	<u>(428,081)</u>	<u>(418,904)</u>
Total	<u>\$ 462,306</u>	<u>\$ 3,245,543</u>	<u>\$ 3,707,849</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 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. 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.

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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Wage inflation:	
Current measurement date	2.40%
Prior measurement date	2.40%
Future salary increases, including inflation:	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.25% to 13.58%
COLA or ad hoc COLA:	
Current measurement date	2.00%
Prior measurement date	2.00%
Investment rate of return:	
Current measurement date	7.00% net of system expenses
Prior measurement date	7.00% net of system expenses
Discount rate:	
Current measurement date	7.00%
Prior measurement date	7.00%
Actuarial cost method	Entry age normal (level percent of payroll)

In 2023, mortality rates 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% for males and set forward 2 years and adjusted 81.35% 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% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

In the prior measurement date, 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% for males and set forward 2 years and adjusted 81.35% 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% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. Ohio Revised Code Section 3309.15 and the Board-adopted Investment Policy govern investment activity at SERS. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted 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.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00%, 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%), or one percentage point higher (8.00%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 18,183,932	\$ 12,320,166	\$ 7,381,056

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023 and June 30, 2022, actuarial valuation are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	Varies by service from 2.50% to 8.50%
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.00%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%

For the June 30, 2023 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

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

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

* Final target weights reflected at October 1, 2022.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the net pension liability as of June 30, 2023, calculated using the current period discount rate assumption of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 84,128,454	\$ 54,707,778	\$ 29,825,937

Assumption and Benefit Changes Since the Prior Measurement Date - The discount rate remained at 7.00% for June 30, 2023 valuation. Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

NOTE 14 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 13 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2024, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2024, the District's surcharge obligation was \$157,976.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$157,976 for fiscal year 2024. Of this amount, \$157,976 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

Net OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability/asset was measured as of June 30, 2023, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.237269900%	0.256059600%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.228667300%</u>	<u>0.254041960%</u>	
Change in proportionate share	<u>-0.008602600%</u>	<u>-0.002017640%</u>	
Proportionate share of the net OPEB liability	\$ 3,767,169	\$ -	\$ 3,767,169
Proportionate share of the net OPEB asset	\$ -	\$ 4,940,765	\$ 4,940,765
OPEB expense	\$ (318,148)	\$ (92,376)	\$ (410,524)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 7,849	\$ 7,703	\$ 15,552
Net difference between projected and actual earnings on OPEB plan investments	29,199	8,815	38,014
Changes of assumptions	1,273,790	727,846	2,001,636
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	461,476	114,140	575,616
Contributions subsequent to the measurement date	<u>157,976</u>	<u>-</u>	<u>157,976</u>
Total deferred outflows of resources	<u>\$ 1,930,290</u>	<u>\$ 858,504</u>	<u>\$ 2,788,794</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 1,942,867	\$ 753,600	\$ 2,696,467
Changes of assumptions	1,069,912	3,259,846	4,329,758
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>415,918</u>	<u>3,493</u>	<u>419,411</u>
Total deferred inflows of resources	<u>\$ 3,428,697</u>	<u>\$ 4,016,939</u>	<u>\$ 7,445,636</u>

\$157,976 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2025.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2025	\$ (540,155)	\$ (1,347,826)	\$ (1,887,981)
2026	(533,004)	(659,337)	(1,192,341)
2027	(331,850)	(252,395)	(584,245)
2028	(168,738)	(343,551)	(512,289)
2029	(86,043)	(315,070)	(401,113)
Thereafter	<u>3,407</u>	<u>(240,256)</u>	<u>(236,849)</u>
Total	<u>\$ (1,656,383)</u>	<u>\$ (3,158,435)</u>	<u>\$ (4,814,818)</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.

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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Wage inflation:

Current measurement date	2.40%
Prior measurement date	2.40%

Future salary increases, including inflation:

Current measurement date	3.25% to 13.58%
Prior measurement date	3.25% to 13.58%

Investment rate of return:

Current measurement date	7.00% net of investment expense, including inflation
Prior measurement date	7.00% net of investment expense, including inflation

Municipal bond index rate:

Current measurement date	3.86%
Prior measurement date	3.69%

Single equivalent interest rate, net of plan investment expense,
including price inflation:

Current measurement date	4.27%
Prior measurement date	4.08%

Medical trend assumption:

Current measurement date	6.75 to 4.40%
Prior measurement date	7.00 to 4.40%

In 2023, the following mortality assumptions were used:

Healthy Retirees - PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females.

Disabled Retirees - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.

Contingent Survivors - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

Actives - PUB-2010 General Amount Weighted Below Median Employee mortality table.

Mortality Projection - Mortality rates are projected using a fully generational projection with Scale MP-2020.

In the prior measurement date, mortality rates 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% for males and set forward 2 years and adjusted 81.35% 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% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

The long-term expected rate of return is reviewed as part of the regular experience studies prepared every five years for SERS. The most recent five-year experience study was performed for the period covering 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%, 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.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

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

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2023, was 4.27%. The discount rate used to measure total OPEB liability prior to June 30, 2023, was 4.08%. 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% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position is projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022 and the June 30, 2023 total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate was 3.86% at June 30, 2023 and 3.69% at June 30, 2022.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability, what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate (6.75% decreasing to 4.40%).

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 4,815,519	\$ 3,767,169	\$ 2,940,501

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 2,767,608	\$ 3,767,169	\$ 5,091,721

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023 actuarial valuation, compared with June 30, 2022 actuarial valuation, are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	Varies by service from 2.50% to 8.50%
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%
Discount rate of return	7.00%	7.00%
Blended discount rate of return	N/A	N/A
Health care cost trends		
	Initial	Ultimate
Medical		
Pre-Medicare	7.50%	4.14%
Medicare	-10.94%	4.14%
Prescription Drug		
Pre-Medicare	-11.95%	4.14%
Medicare	1.33%	4.14%

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

For the June 30, 2023 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

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

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

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

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

* Final target weights reflected at October 1, 2022.

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

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

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00%, 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%) or one percentage point higher (8.00%) 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.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	\$ 4,181,711	\$ 4,940,765	\$ 5,601,821
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	\$ 5,632,496	\$ 4,940,765	\$ 4,107,587

NOTE 15 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement 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 District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

The District is involved in no material litigation as either plaintiff or defendant.

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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 16 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2023	\$ -
Current year set-aside requirement	1,124,683
Current year qualifying expenditures	(250,000)
Current year offsets	<u>(2,384,434)</u>
Total	<u>\$ (1,509,751)</u>
Balance carried forward to fiscal year 2025	<u>\$ -</u>
Set-aside balance June 30, 2024	<u>\$ -</u>

In addition to the above statutory set-asides, the District had \$1,270 in monies restricted for school bus purchases.

During fiscal year 2015, the District issued \$38,900,000 in capital related school improvement bonds. These proceeds may be used to reduce the capital improvements set-aside amount to below zero for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the capital improvements set-aside balance to \$0. The District is responsible for tracking the amount of bond proceeds that may be used as an offset in future periods, which was \$38,900,000 at June 30, 2024.

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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 17 - FUND BALANCE

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

Fund balance	General	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Materials and supplies inventory	\$ -	\$ 7,053	\$ 7,053
Prepays	61,436	-	61,436
Total nonspendable	<u>61,436</u>	<u>7,053</u>	<u>68,489</u>
Restricted:			
Debt service	-	2,181,914	2,181,914
Capital improvements	-	2,799,835	2,799,835
Food service operations	-	1,654,708	1,654,708
Scholarships	-	211,798	211,798
Non-public schools	-	16,388	16,388
State funded programs	-	21,875	21,875
Extracurricular	-	922,364	922,364
School bus purchases	1,270	-	1,270
Other purposes	-	125,468	125,468
Total restricted	<u>1,270</u>	<u>7,934,350</u>	<u>7,935,620</u>
Committed:			
Capital improvements	-	2,094,913	2,094,913
Termination benefits	746,033	-	746,033
Other purposes	11,000	-	11,000
Total committed	<u>757,033</u>	<u>2,094,913</u>	<u>2,851,946</u>
Assigned:			
Student instruction	736,148	-	736,148
Student and staff support	340,639	-	340,639
Other purposes	515,333	-	515,333
Total assigned	<u>1,592,120</u>	<u>-</u>	<u>1,592,120</u>
Unassigned (deficit)	<u>26,249,268</u>	<u>(172,468)</u>	<u>26,076,800</u>
Total fund balances	<u>\$ 28,661,127</u>	<u>\$ 9,863,848</u>	<u>\$ 38,524,975</u>

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 18 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 868,106
Other governmental	<u>1,534,721</u>
Total	<u>\$ 2,402,827</u>

NOTE 19 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

The City of Perrysburg and Perrysburg Township provide tax abatements through Community Reinvestment Areas (CRAs).

Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

The CRA agreements entered into by the City of Perrysburg and Perrysburg Township affect the property tax receipts collected and distributed to the District. Under these agreements, the District property taxes were reduced by \$225,312.

NOTE 20 - COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During fiscal year 2024, the District received COVID-19 funding. The District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

REQUIRED SUPPLEMENTARY INFORMATION

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary</u>	<u>Final Budget -</u>
			<u>Basis</u>	<u>over (under)</u>
				<u>Actual Amounts</u>
Budgetary revenues and other financing sources	\$ 77,348,952	\$ 77,348,952	\$ 80,107,571	\$ 2,758,619
Budgetary expenditures and other financing uses	<u>77,877,758</u>	<u>77,854,414</u>	<u>71,837,746</u>	<u>(6,016,668)</u>
Net change in fund balance	(528,806)	(505,462)	8,269,825	8,775,287
Budgetary fund balance at beginning of year	15,481,493	15,481,493	15,481,493	-
Prior year encumbrances appropriated	<u>785,588</u>	<u>785,588</u>	<u>785,588</u>	-
Budgetary fund balance at end of year	<u><u>\$ 15,738,275</u></u>	<u><u>\$ 15,761,619</u></u>	<u><u>\$ 24,536,906</u></u>	<u><u>\$ 8,775,287</u></u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

Fiscal Year (1)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.222968600%	\$ 12,320,166	\$ 9,236,207	133.39%	76.06%
2023	0.231724600%	12,533,469	8,472,464	147.93%	75.82%
2022	0.213556100%	7,879,601	7,611,114	103.53%	82.86%
2021	0.227377100%	15,039,200	7,609,400	197.64%	68.55%
2020	0.230385800%	13,784,386	7,420,341	185.76%	70.85%
2019	0.222059000%	12,717,730	8,054,363	157.90%	71.36%
2018	0.196106200%	11,716,912	6,363,279	184.13%	69.50%
2017	0.196168300%	14,357,710	5,792,093	247.88%	62.98%
2016	0.191574300%	10,931,415	5,767,382	189.54%	69.16%
2015	0.186657000%	9,446,604	5,423,874	174.17%	71.70%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 1,302,757	\$ (1,302,757)	\$ -	\$ 9,305,407	14.00%
2023	1,293,069	(1,293,069)	-	9,236,207	14.00%
2022	1,186,145	(1,186,145)	-	8,472,464	14.00%
2021	1,065,556	(1,065,556)	-	7,611,114	14.00%
2020	1,065,316	(1,065,316)	-	7,609,400	14.00%
2019	1,001,746	(1,001,746)	-	7,420,341	13.50%
2018	1,087,339	(1,087,339)	-	8,054,363	13.50%
2017	890,859	(890,859)	-	6,363,279	14.00%
2016	810,893	(810,893)	-	5,792,093	14.00%
2015	760,141	(760,141)	-	5,767,382	13.18%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

Fiscal Year (1)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.254041960%	\$ 54,707,778	\$ 34,088,857	160.49%	80.02%
2023	0.256059600%	56,922,372	33,748,800	168.66%	78.88%
2022	0.250863119%	32,075,105	31,570,400	101.60%	87.78%
2021	0.244775750%	59,227,022	29,981,693	197.54%	75.48%
2020	0.242826170%	53,699,548	28,219,350	190.29%	77.40%
2019	0.237568010%	52,235,871	27,757,886	188.18%	77.31%
2018	0.221706760%	52,666,916	24,555,686	214.48%	75.30%
2017	0.213965790%	71,620,799	22,795,857	314.18%	66.80%
2016	0.210924500%	58,293,362	22,006,436	264.89%	72.10%
2015	0.199501960%	48,525,781	20,383,592	238.06%	74.70%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 5,147,109	\$ (5,147,109)	\$ -	\$ 36,765,064	14.00%
2023	4,772,440	(4,772,440)	-	34,088,857	14.00%
2022	4,724,832	(4,724,832)	-	33,748,800	14.00%
2021	4,419,856	(4,419,856)	-	31,570,400	14.00%
2020	4,197,437	(4,197,437)	-	29,981,693	14.00%
2019	3,950,709	(3,950,709)	-	28,219,350	14.00%
2018	3,886,104	(3,886,104)	-	27,757,886	14.00%
2017	3,437,796	(3,437,796)	-	24,555,686	14.00%
2016	3,191,420	(3,191,420)	-	22,795,857	14.00%
2015	3,080,901	(3,080,901)	-	22,006,436	14.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY AND
DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST EIGHT AND TEN FISCAL YEARS

Fiscal Year (1) (2)	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2024	0.228667300%	\$ 3,767,169	\$ 9,236,207	40.79%	30.02%
2023	0.237269900%	3,331,294	8,472,464	39.32%	30.34%
2022	0.218721700%	4,139,487	7,611,114	54.39%	24.08%
2021	0.282632000%	4,960,906	7,609,400	65.19%	18.17%
2020	0.235449900%	5,921,070	7,420,341	79.80%	15.57%
2019	0.226207200%	6,275,599	8,054,363	77.92%	13.57%
2018	0.198578400%	5,329,323	6,363,279	83.75%	12.46%
2017	0.198510190%	5,658,275	5,792,093	97.69%	11.49%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 157,976	\$ (157,976)	\$ -	\$ 9,305,407	1.70%
2023	202,115	(202,115)	-	9,236,207	2.19%
2022	156,635	(156,635)	-	8,472,464	1.85%
2021	133,664	(133,664)	-	7,611,114	1.76%
2020	110,290	(110,290)	-	7,609,400	1.45%
2019	177,766	(177,766)	-	7,420,341	2.40%
2018	166,602	(166,602)	-	8,054,363	2.07%
2017	106,268	(106,268)	-	6,363,279	1.67%
2016	99,225	(99,225)	-	5,792,093	1.71%
2015	140,781	(140,781)	-	5,767,382	2.44%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/(ASSET) AND
DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST EIGHT AND TEN FISCAL YEARS

Fiscal Year (1) (2)	District's Proportion of the Net OPEB Liability/(Asset)	District's Proportionate Share of the Net OPEB Liability/(Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2024	0.254041960%	\$ (4,940,765)	\$ 34,088,857	14.49%	168.52%
2023	0.256059600%	(6,630,234)	33,748,800	19.65%	230.73%
2022	0.250863119%	(5,289,244)	31,570,400	16.75%	174.73%
2021	0.244775750%	(4,301,932)	29,981,693	14.35%	182.10%
2020	0.242826170%	(4,021,783)	28,219,350	14.25%	174.74%
2019	0.237568010%	(3,817,475)	27,757,886	13.75%	176.00%
2018	0.022170676%	8,650,180	24,555,686	35.23%	47.10%
2017	0.213965790%	11,442,946	22,795,857	50.20%	37.30%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ -	\$ -	\$ -	\$ 36,765,064	0.00%
2023	-	-	-	34,088,857	0.00%
2022	-	-	-	33,748,800	0.00%
2021	-	-	-	31,570,400	0.00%
2020	-	-	-	29,981,693	0.00%
2019	-	-	-	28,219,350	0.00%
2018	-	-	-	27,757,886	0.00%
2017	-	-	-	24,555,686	0.00%
2016	-	-	-	22,795,857	0.00%
2015	-	-	-	22,006,436	0.00%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The schedule of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ 8,269,825
Net adjustment for revenue and other financing sources accruals	(530,263)
Net adjustment for expenditure and other financing uses accruals	(549,828)
Funds budgeted elsewhere	126,274
Adjustments for encumbrances	<u>986,414</u>
GAAP Basis	<u><u>\$ 8,302,422</u></u>

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 fund, the staff rotary fund, the learning day by day fund, the rotary services fund, the underground storage tank fund, the rotary special services fund, the business advisory council fund, the termination benefits fund, the technology insurance fund and the public school support fund.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) 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, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2023.

Changes in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For fiscal year 2023, the following changes of assumption affected the total pension liability since the prior measurement date: the projected salary increases went from 12.50% at age 20 to 2.50% at age 65 to varies by service from 2.50% to 8.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- There were no changes in benefit terms from the amounts reported for fiscal year 2018.
- There were no changes in benefit terms from the amounts reported for fiscal year 2019.
- There were no changes in benefit terms from the amounts reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts reported for fiscal year 2021.
- There were no changes in benefit terms from the amounts reported for fiscal year 2022.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) 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, (f) 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, (g) 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, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.
- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%, and (c) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22% to 2.63%.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- For fiscal year 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.
- For fiscal year 2024, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.69% to 3.86%, (b) single equivalent interest rate when from 4.08% to 4.27% and (c) medical trend assumptions went from 7.00% to 4.40% to 6.75% to 4.40%.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts previously reported for fiscal year 2017.
- For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% 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, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.
- For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2024.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.
- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to -6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from -6.69% initial - 4.00% ultimate down to -16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.
- For fiscal year 2023, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) projected salary increase went from 12.50% at age 20 to 2.50% at age 65 to varies by services from 2.50% to 8.50% and (b) health care cost trend rates were changed to the following: Pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from -16.18% initial - 4.00% ultimate to -68.78% initial - 3.94% ultimate; prescription drug Pre-Medicare from 6.50% initial - 4.00% ultimate to 9.00% initial - 3.94% ultimate; Medicare from 29.98% initial - 4.00% ultimate to -5.47% initial - 3.94% ultimate.
- For fiscal year 2024, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: Pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate; medical Medicare from -68.78% initial - 3.94% ultimate to -10.94% initial - 4.14% ultimate; prescription drug Pre-Medicare from 9.00% initial - 3.94% ultimate to -11.95% initial - 4.14% ultimate; Medicare from -5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.

SUPPLEMENTARY INFORMATION

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL FEDERAL EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through the Ohio Department of Education and Workforce</i>			
Child Nutrition Cluster			
School Breakfast Program	10.553	2024	\$ 46,484
National School Lunch Program	10.555	2024	488,831
COVID-19 - National School Lunch Program	10.555	COVID-19, 2024	147,543
National School Lunch Program - Food Donation	10.555	2024	148,333
Total National School Lunch Program			784,707
Total Child Nutrition Cluster			831,191
Total U.S. Department of Agriculture			831,191
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through the Ohio Department of Education and Workforce</i>			
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2023	15,613
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2024	90,659
Total Title I Grants to Local Educational Agencies			106,272
Special Education Cluster (IDEA)			
Special Education_ Grants to States (IDEA, Part B)	84.027A	84.027A, 2023	184,653
COVID-19 - Special Education-Grants to States (IDEA, Part B) - ARP	84.027X	COVID-19, 84.027X, 2023	29,221
Special Education_ Grants to States (IDEA, Part B)	84.027A	84.027A, 2024	989,081
Total Special Education-Grants to States (IDEA, Part B)			1,202,955
Special Education_ Preschool Grants (IDEA Preschool)	84.173A	84.173A, 2023	5,225
Special Education_ Preschool Grants (IDEA Preschool)	84.173A	84.173A, 2024	27,362
Total Special Education-Grants to States (IDEA Preschool)			32,587
Total Special Education Cluster (IDEA)			1,235,542
<i>Consortium Amount Transferred from Consortium Members</i>			
English Language Acquisition State Grants - Title III - Language Instruction for English Learners	84.365A	84.365A, 2024	12,626
English Language Acquisition State Grants - Title III - Language Instruction for English Learners	84.365A	84.365A, 2024	23,211
Total English Language Acquisition State Grants - Title III			35,837
Supporting Effective Instruction State Grants	84.367A	84.367A, 2023	8,441
Supporting Effective Instruction State Grants	84.367A	84.367A, 2024	77,683
Total Supporting Effective Instruction State Grants			86,124
Student Support and Academic Enrichment Program - Stronger Connections	84.424F	84.424F, 2024	6,564
Student Support and Academic Enrichment Program	84.424A	84.424A, 2024	6,149
Total Student Support and Academic Enrichment Program			12,713
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	COVID-19, 84.425U, 2022	28,127
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER State Activity Supplement) Fund	84.425U	COVID-19, 84.425U, 2023	328,819
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	COVID-19, 84.425U, 2024	1,240,022
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER) Fund - Homeless II Children and Youth	84.425W	COVID-19, 84.425W, 2024	3,054
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER II State Activity Supplement) Fund	84.425D	COVID-19, 84.425D, 2023	174,102
Total Education Stabilization Fund (ESF)			1,774,124
Total U.S. Department of Education			3,250,612
Total Federal Expenditures			\$ 4,081,803

The accompanying notes are an integral part of this schedule.

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR § 200.510(b)(6)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Perrysburg Exempted Village School District under programs of the federal government for the fiscal year ended June 30, 2024 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Perrysburg Exempted Village School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Perrysburg Exempted Village School District. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The Perrysburg Exempted Village School District has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 – CHILD NUTRITION CLUSTER

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

NOTE 4 – FOOD DONATION PROGRAM

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

NOTE 5 – FEDERAL AWARDS ADMINISTERED FOR OTHER GOVERNMENTS

The Perrysburg Exempted Village School District applies for and administers grants on behalf of member school districts. The Perrysburg Exempted Village School District reports these grants on their Schedule, and they are subject to audit during the Perrysburg Exempted Village School District's annual audit according to Uniform Guidance. Awards which were reported by the Perrysburg Exempted Village School District that benefitted member districts are as follows:

	<u>Award Amount</u>
<u>Member District</u>	<u>Title III Language Instruction for English Learners Grants ALN - 84.365A</u>
Anthony Wayne Local School District	\$5,756
Leipsic Local School District	4,271
Maumee City School District	2,228
Ottawa-Glandorf Local School District	371
Total	\$12,626

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

Perrysburg Exempted Village School District
Wood County
140 East Indiana Avenue
Perrysburg, Ohio 43551

To the Members of 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Perrysburg Exempted Village School District, Wood County, Ohio, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Perrysburg Exempted Village School District's basic financial statements, and have issued our report thereon dated December 11, 2024.

Report on Internal Control over Financial Reporting

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

Perrysburg Exempted Village School District

Wood County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Perrysburg Exempted Village School 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 Perrysburg Exempted Village School 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 Perrysburg Exempted Village School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.

December 11, 2024

**Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

Perrysburg Exempted Village School District
Wood County
140 East Indiana Avenue
Perrysburg, Ohio 43551

To the Members of the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Perrysburg Exempted Village School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Perrysburg Exempted Village School District's major federal programs for the fiscal year ended June 30, 2024. The Perrysburg Exempted Village School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

In our opinion, the Perrysburg Exempted Village School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

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

Responsibilities of Management for Compliance

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

Perrysburg Exempted Village School District
Wood County
Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

Perrysburg Exempted Village School District
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Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance

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

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
December 11, 2024

**PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT
WOOD COUNTY, OHIO**

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

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	None reported
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were any material weaknesses in internal control reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	None reported
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program(s) (listed):</i>	Child Nutrition Cluster
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE KEITH FABER



PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT

WOOD 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 2/20/2025

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

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