



OHIO AUDITOR OF STATE  
**KEITH FABER**





**WESTFALL LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY  
JUNE 30, 2024**

**TABLE OF CONTENTS**

<b><u>TITLE</u></b>	<b><u>PAGE</u></b>
Independent Auditor's Report .....	1
Prepared by Management:	
Management's Discussion and Analysis .....	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position .....	13
Statement of Activities.....	14
Fund Financial Statements:	
Balance Sheet	
Governmental Funds.....	15
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities .....	16
Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds .....	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual General Fund.....	19
Notes to the Basic Financial Statements .....	21

**WESTFALL LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY  
JUNE 30, 2024**

**TABLE OF CONTENTS  
(Continued)**

<b>TITLE</b>	<b>PAGE</b>
Required Supplementary Information:	
Schedule of School District's Proportionate Share of the Net Pension Liability.....	58
Schedule of School District's Contributions - Pension .....	60
Schedule of School District's Proportionate Share of the Net OPEB Liability (Asset) .....	62
Schedule of School District's Contributions - OPEB .....	64
Notes to Required Supplementary Information .....	66
Schedule of Expenditures of Federal Awards .....	71
Notes to the Schedule of Expenditures of Federal Awards .....	72
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	73
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	75
Schedule of Findings.....	79
Prepared by Management:	
Summary Schedule of Prior Audit Findings .....	81



65 East State Street  
Columbus, Ohio 43215  
[ContactUs@ohioauditor.gov](mailto:ContactUs@ohioauditor.gov)  
800-282-0370

## INDEPENDENT AUDITOR'S REPORT

Westfall Local School District  
Pickaway County  
19463 Pherson Pike  
Williamsport, Ohio 43164

To the Board of Education:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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

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

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the 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 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary information***

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2025, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 School District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

March 17, 2025

**THIS PAGE INTENTIONALLY LEFT BLANK**

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---

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

### ***Financial Highlights***

Key financial highlights for 2024 are as follows:

- Net position increased \$1,318,118 from 2023 net position.
- Capital assets increased \$3,258,460 during fiscal year 2024.
- During the fiscal year, outstanding debt decreased primarily from principal payments on maturing debt.

### ***Using this Annual Report***

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the School District as a whole 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 School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the School District, the general and permanent improvement funds are the most significant funds.

### ***Reporting the School District as a Whole***

#### *Statement of Net Position and the Statement of Activities*

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---

---

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

In the *Statement of Net Position* and the *Statement of Activities*, governmental activities include the School District's programs and services, including instruction, support services, extracurricular activities, and non-instructional services, i.e., food service operations.

***Reporting the School District's Most Significant Funds***

*Fund Financial Statements*

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

***Governmental Funds*** Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps 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 the Statement of Activities) and governmental funds is reconciled in the financial statements.

*This space intentionally left blank.*

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2024 compared to 2023:

	Governmental Activities		
	2024	2023	Change
<b>Assets</b>			
Current & Other Assets	\$ 32,207,962	\$ 38,185,009	\$ (5,977,047)
Net OPEB Asset	1,210,552	1,598,271	(387,719)
Capital Assets	<u>41,920,147</u>	<u>38,661,687</u>	<u>3,258,460</u>
<i>Total Assets</i>	<u>75,338,661</u>	<u>78,444,967</u>	<u>(3,106,306)</u>
<b>Deferred Outflows of Resources</b>			
Pension & OPEB	4,669,927	5,318,650	(648,723)
<i>Total Deferred Outflows of Resources</i>	<u>4,669,927</u>	<u>5,318,650</u>	<u>(648,723)</u>
<b>Liabilities</b>			
Current & Other Liabilities	2,179,989	4,932,859	(2,752,870)
Long-Term Liabilities:			
Due Within One Year	778,299	740,935	37,364
Due In More Than One Year:			
Pension & OPEB	18,608,023	18,990,532	(382,509)
Other Amounts	<u>29,860,857</u>	<u>30,373,405</u>	<u>(512,548)</u>
<i>Total Liabilities</i>	<u>51,427,168</u>	<u>55,037,731</u>	<u>(3,610,563)</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	4,385,989	5,076,017	(690,028)
Pension & OPEB	<u>3,283,524</u>	<u>4,056,080</u>	<u>(772,556)</u>
<i>Total Deferred Inflows of Resources</i>	<u>7,669,513</u>	<u>9,132,097</u>	<u>(1,462,584)</u>
<b>Net Position</b>			
Net Investment in Capital Assets	14,450,581	11,876,183	2,574,398
Restricted	2,890,526	4,140,070	(1,249,544)
Unrestricted	<u>3,570,800</u>	<u>3,577,536</u>	<u>(6,736)</u>
<i>Total Net Position</i>	<u>\$ 20,911,907</u>	<u>\$ 19,593,789</u>	<u>\$ 1,318,118</u>

The net pension liability (NPL) is one of the largest single liabilities reported by the School District at June 30, 2024, and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior period, the School District also adopted 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 School 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.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---

Governmental Accounting Standards Board 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/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 asset/liability to equal the School 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 School District is not responsible for certain key factors affecting the balance of these assets/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. For STRS, the plan's fiduciary net OPEB position was sufficient to cover the plan's total OPEB liability resulting in a net OPEB asset for that is allocated to each school based on its proportionate share. 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 reported by the retirement boards. 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.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---

---

In accordance with GASB 68 and GASB 75, the School 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 asset/liability, respectively, not accounted for as deferred inflows/outflows.

Capital assets include land, construction in progress, buildings and improvements, land improvements, furniture, equipment, vehicles and intangible right to use assets related to leased equipment. These capital assets are used to provide services to students and are not available for future spending. Although the School 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 City's net position, represents resources that are subject to external restrictions on how they may be used. The balance is unrestricted net position.

Current and other assets and current and other liabilities both decreased in comparison with the prior fiscal year. These decreases are primarily the result of the decreases in investments in a segregated account, contracts payable, and retainage payable. During the fiscal year, the School District completed construction projects on the Middle and High School additions.

Deferred inflows for property taxes decreased due to an increase in amounts available for advance.

There was a significant change in net pension/OPEB liability/asset for the School District. These fluctuations are due to changes in the actuarial liabilities/assets and related accruals that are passed through to the School District's financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and NPL/NOL/NOA and are described in more detail in their respective notes.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---



---

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

	Governmental Activities		
	2024	2023	Change
<b>Revenues</b>			
<i>Program Revenues</i>			
Charges for Services	\$ 1,068,617	\$ 854,170	\$ 214,447
Operating Grants	1,838,241	2,812,572	(974,331)
Capital Grants	80,000	104,739	(24,739)
<i>Total Program Revenues</i>	<u>2,986,858</u>	<u>3,771,481</u>	<u>(784,623)</u>
<b>General Revenues</b>			
Property Taxes	12,166,957	12,087,324	79,633
Grants & Entitlements	9,536,605	9,232,344	304,261
Payments in Lieu of Taxes	4,842	5,617	(775)
Other	1,463,212	1,112,440	350,772
<i>Total General Revenues</i>	<u>23,171,616</u>	<u>22,437,725</u>	<u>733,891</u>
<i>Total Revenues</i>	<u>26,158,474</u>	<u>26,209,206</u>	<u>(50,732)</u>
<b>Program Expenses</b>			
Instruction:			
Regular	8,831,827	8,723,627	108,200
Special	3,780,627	3,587,257	193,370
Vocational	20,444	12,280	8,164
Student Intervention Services	111,789	70,745	41,044
Other	181,575	200,524	(18,949)
Support Services:			
Pupils	813,243	754,914	58,329
Instructional Staff	2,148,996	2,385,038	(236,042)
Board of Education	93,559	114,687	(21,128)
Administration	1,526,421	1,400,992	125,429
Fiscal	644,793	661,636	(16,843)
Operation and Maintenance of Plant	2,474,832	1,973,414	501,418
Pupil Transportation	1,573,773	1,497,494	76,279
Central	305,343	149,418	155,925
Operation of Non-Instructional Services:			
Food Service Operations	741,679	715,131	26,548
Extracurricular Activities	803,331	743,022	60,309
Interest and Fiscal Charges	788,124	780,353	7,771
<i>Total Expenses</i>	<u>24,840,356</u>	<u>23,770,532</u>	<u>1,069,824</u>
<i>Change in Net Position</i>	<u>1,318,118</u>	<u>2,438,674</u>	<u>(1,120,556)</u>
<i>Net Position Beginning of Year</i>	<u>19,593,789</u>	<u>17,155,115</u>	<u>2,438,674</u>
<i>Net Position End of Year</i>	<u>\$ 20,911,907</u>	<u>\$ 19,593,789</u>	<u>\$ 1,318,118</u>

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---

The decrease in operating grants and overall program revenues was the result of the winding down of the Elementary and Secondary School Emergency Relief federal revenues.

Other revenues increased in comparison with the prior fiscal year. This increase is primarily the result of an increase in investment earnings received by the School District during the fiscal year as a result of favorable market conditions.

Operation and maintenance of plant increased in comparison with the prior fiscal year. This increase is mainly due to various maintenance projects.

### ***Governmental Funds***

The School District's major funds are accounted for using the modified accrual basis of accounting.

The general fund saw an increase in the fund balance due an increase in the amount of taxes available for advance compared to the prior fiscal year as well as an increase in foundation funding from the State of Ohio due to the Ohio Fair School Funding plan.

The decrease in fund balance for the permanent improvement fund primarily represents the completion of the Middle and High School construction projects during the fiscal year.

### ***General Fund Budgeting Highlights***

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

During the course of fiscal year 2024, the School District amended its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

***Original Budget Compared to Final Budget*** During the fiscal year, the differences between the original and final revenue budget was insignificant. The final expenditure budget was greater than the original budget due to inflationary costs and increased demand for services.

***Final Budget Compared to Actual Results*** The differences between the final expenditures and other financing uses and the actual expenditures and other financing uses was insignificant. The actual revenues and financing sources exceeded the final budget due to the timing of tax collections and foundation funding from the State of Ohio.

### ***Capital Assets and Debt Administration***

#### **Capital Assets**

During fiscal year 2024, capital assets increased due to the completion of the Middle School and High School addition projects. See Note 7 for more information about the capital assets of the School District.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2024*  
*(Unaudited)*

---

---

**Debt**

During the fiscal year, the School District entered into a new lease for copiers. Other than the new lease, there were no significant changes in the School District's debt during fiscal year 2024 other than principal payments. See Note 9 for additional details.

***Current Issues***

As indicated in the preceding financial information, the School District is dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. Therefore, in the long-term, the current program and staffing levels will be dependent on increased funding to meet inflation. Careful financial planning has permitted the School District to provide a quality education for our students.

As always, the administration of the School District must maintain careful financial planning and prudent fiscal management in order to preserve the financial stability of the School District.

***Contacting the School District's Financial Management***

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Joseph Patete, Treasurer, Westfall Local School Board of Education, 9391 OH-56W, Williamsport, Ohio 43164.

**Westfall Local School District**

**Pickaway County, Ohio**

*Statement of Net Position*

*June 30, 2024*

	Governmental Activities
<b>Assets</b>	
Pooled Cash and Investments	\$ 21,472,996
Accounts Receivable	183,600
Intergovernmental Receivable	80,784
Property and Other Local Taxes Receivable	10,470,582
Non-Depreciable Capital Assets	105,604
Depreciable Capital Assets, net	41,814,543
Net OPEB Asset	<u>1,210,552</u>
<i>Total Assets</i>	<u>75,338,661</u>
<b>Deferred Outflows of Resources</b>	
Pension	3,844,194
OPEB	<u>825,733</u>
<i>Total Deferred Outflows of Resources</i>	<u>4,669,927</u>
<b>Liabilities</b>	
Accounts Payable	17,901
Accrued Wages and Benefits Payable	1,618,966
Contracts Payable	140,408
Intergovernmental Payable	327,842
Matured Compensated Absences Payable	68,818
Unearned Revenue	6,054
Long-Term Liabilities:	
Due Within One Year	778,299
Due in More Than One Year:	
Net Pension Liability	17,385,754
Net OPEB Liability	1,222,269
Other Amounts Due in More Than One Year	<u>29,860,857</u>
<i>Total Liabilities</i>	<u>51,427,168</u>
<b>Deferred Inflows of Resources</b>	
Property Taxes	4,385,989
Pension	1,153,428
OPEB	<u>2,130,096</u>
<i>Total Deferred Inflows of Resources</i>	<u>7,669,513</u>
<b>Net Position</b>	
Net Investment in Capital Assets	14,450,581
Restricted for:	
Capital Outlay	786,273
Classroom Facilities Maintenance	113,579
Food Service	570,224
Extracurricular Activities	149,998
State and Federal Grants	59,543
Net OPEB Asset	<u>1,210,552</u>
Other Purposes	357
Unrestricted	<u>3,570,800</u>
<i>Total Net Position</i>	<u>\$ 20,911,907</u>

See accompanying notes to the basic financial statements.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Statement of Activities*  
*For the Fiscal Year Ended June 30, 2024*

	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
					Primary Government	
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	
<b>Governmental Activities</b>						
Instruction:						
Regular	\$ 8,831,827	\$ 394,935	\$ 156,714	\$ 4,584	\$ (8,275,594)	
Special	3,780,627	112,312	758,598	-	(2,909,717)	
Vocational	20,444	-	-	-	(20,444)	
Student Intervention Services	111,789	-	101,729	-	(10,060)	
Other	181,575	-	-	-	(181,575)	
Support Services:						
Pupils	813,243	-	10,380	-	(802,863)	
Instructional Staff	2,148,996	1,315	4,636	10,535	(2,132,510)	
Board of Education	93,559	-	-	-	(93,559)	
Administration	1,526,421	-	12,704	-	(1,513,717)	
Fiscal	644,793	-	-	1,370	(643,423)	
Operation and Maintenance of Plant	2,474,832	-	100,000	57,274	(2,317,558)	
Pupil Transportation	1,573,773	-	45,000	6,237	(1,522,536)	
Central	305,343	-	-	-	(305,343)	
Operation of Non-Instructional Services:						
Food Service Operations	741,679	219,319	575,210	-	52,850	
Extracurricular Activities	803,331	340,736	73,270	-	(389,325)	
Interest and Fiscal Charges	788,124	-	-	-	(788,124)	
<i>Total</i>	<b>\$ 24,840,356</b>	<b>\$ 1,068,617</b>	<b>\$ 1,838,241</b>	<b>\$ 80,000</b>	<b>(21,853,498)</b>	
<b>General Revenues</b>						
Property Taxes Levied for:						
General Purposes					10,307,353	
Debt Service					907,457	
Permanent Improvement					952,147	
Payments in Lieu of Taxes					4,842	
Grants and Entitlements not Restricted to Specific Programs					9,536,605	
Investment Earnings					1,211,504	
Miscellaneous					251,708	
<i>Total General Revenues</i>					<b>23,171,616</b>	
<i>Change in Net Position</i>					1,318,118	
<i>Net Position Beginning of Year</i>					<b>19,593,789</b>	
<i>Net Position End of Year</i>					<b>\$ 20,911,907</b>	

See accompanying notes to the basic financial statements.

**Westfall Local School District**

**Pickaway County, Ohio**

*Balance Sheet*

*Governmental Funds*

*June 30, 2024*

	General Fund	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Pooled Cash and Investments	\$ 18,706,715	\$ 83,048	\$ 2,683,233	\$ 21,472,996
Accounts Receivable	183,600	-	-	183,600
Interfund Receivable	18,728	-	-	18,728
Intergovernmental Receivable	5,737	-	75,047	80,784
Property and Other Local Taxes Receivable	8,339,152	1,282,384	849,046	10,470,582
<i>Total Assets</i>	<u>\$ 27,253,932</u>	<u>\$ 1,365,432</u>	<u>\$ 3,607,326</u>	<u>\$ 32,226,690</u>
<b>Liabilities</b>				
Accounts Payable	\$ 17,901	\$ -	\$ -	\$ 17,901
Accrued Wages and Benefits Payable	1,454,557	-	164,409	1,618,966
Contracts Payable	140,408	-	-	140,408
Intergovernmental Payable	281,599	-	46,243	327,842
Interfund Payable	-	-	18,728	18,728
Compensated Absences Payable	68,818	-	-	68,818
Unearned Revenue	-	-	6,054	6,054
<i>Total Liabilities</i>	<u>1,963,283</u>	<u>-</u>	<u>235,434</u>	<u>2,198,717</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	3,217,870	720,111	448,008	4,385,989
Unavailable Revenue	590,029	62,500	103,597	756,126
<i>Total Deferred Inflows of Resources</i>	<u>3,807,899</u>	<u>782,611</u>	<u>551,605</u>	<u>5,142,115</u>
<b>Fund Balances</b>				
Restricted	-	582,821	2,888,019	3,470,840
Committed	413,068	-	-	413,068
Assigned	118,107	-	-	118,107
Unassigned	20,951,575	-	(67,732)	20,883,843
<i>Total Fund Balance</i>	<u>21,482,750</u>	<u>582,821</u>	<u>2,820,287</u>	<u>24,885,858</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u><u>\$ 27,253,932</u></u>	<u><u>\$ 1,365,432</u></u>	<u><u>\$ 3,607,326</u></u>	<u><u>\$ 32,226,690</u></u>

See accompanying notes to the basic financial statements.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Position of Governmental Activities*  
*June 30, 2024*

---



---

<b>Total Governmental Fund Balances</b>	\$ 24,885,858
---	---------------

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

Capital assets used in governmental activities are not financial  
 resources and therefore are not reported in the funds. 41,920,147

Other long-term assets are not available to pay for current-period expenditures  
 and therefore are deferred in the funds:

Delinquent Property Taxes	\$ 510,309
Intergovernmental	62,217
Accounts	<u>183,600</u>
	756,126

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

Net OPEB Asset	1,210,552
Deferred Outflows - Pension	3,844,194
Deferred Outflows - OPEB	825,733
Net Pension Liability	(17,385,754)
Net OPEB Liability	(1,222,269)
Deferred Inflows - Pension	(1,153,428)
Deferred Inflows - OPEB	<u>(2,130,096)</u>
	(16,011,068)

Long-term liabilities are not due and payable in the current period  
 and therefore are not reported in the funds:

General Obligation Bonds	(13,900,000)
Direct Borrowings	(13,358,000)
Unamortized Bond Premium	(2,122,772)
Lease	(71,158)
Compensated Absences	<u>(1,187,226)</u>
	(30,639,156)

<i>Net Position of Governmental Activities</i>	<u><u>\$ 20,911,907</u></u>
--	-----------------------------

See accompanying notes to the basic financial statements.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2024*

	General Fund	Permanent Improvement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property and Other Local Taxes	\$ 10,077,613	\$ 911,384	\$ -	\$ 880,469	\$ 11,869,466
Payments in Lieu of Taxes	4,842	-	-	-	4,842
Intergovernmental	9,341,096	66,771	-	1,816,663	11,224,530
Customer Sales and Services	-	-	-	225,687	225,687
Investment Earnings	1,151,606	-	-	59,898	1,211,504
Tuition and Fees	485,252	-	-	-	485,252
Extracurricular Activities	59,230	-	-	298,448	357,678
Contributions and Donations	61,274	80,000	-	73,270	214,544
Miscellaneous	58,412	7,307	-	2,110	67,829
<i>Total Revenues</i>	<u>21,239,325</u>	<u>1,065,462</u>	<u>-</u>	<u>3,356,545</u>	<u>25,661,332</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	7,804,640	52,660	-	154,203	8,011,503
Special	3,059,989	-	-	746,366	3,806,355
Vocational	20,444	-	-	-	20,444
Student Intervention Services	-	-	-	111,789	111,789
Other	173,137	-	-	-	173,137
Support Services:					
Pupils	10,104	-	-	795,731	805,835
Instructional Staff	2,341,433	121,040	-	5,972	2,468,445
Board of Education	93,559	-	-	-	93,559
Administration	1,477,991	-	-	12,047	1,490,038
Fiscal	635,484	15,743	-	13,784	665,011
Operation and Maintenance of Plant	1,525,583	658,024	-	100,000	2,283,607
Pupil Transportation	1,291,042	71,654	-	45,000	1,407,696
Central	301,110	-	-	-	301,110
Operation of Non-Instructional Services	275	-	-	739,369	739,644
Extracurricular Activities	424,450	-	-	370,739	795,189
Capital Outlay	1,719,628	436,856	-	1,971,705	4,128,189
Debt Service:					
Principal Retirement	-	312,044	-	294,000	606,044
Interest and Fiscal Charges	207,663	203,472	-	457,095	868,230
<i>Total Expenditures</i>	<u>21,086,532</u>	<u>1,871,493</u>	<u>-</u>	<u>5,817,800</u>	<u>28,775,825</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>152,793</u>	<u>(806,031)</u>	<u>-</u>	<u>(2,461,255)</u>	<u>(3,114,493)</u>
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Assets	280	-	-	-	280
Inception of Lease	-	83,202	-	-	83,202
<i>Total Other Financing Sources (Uses)</i>	<u>280</u>	<u>83,202</u>	<u>-</u>	<u>-</u>	<u>83,482</u>
<i>Net Change in Fund Balances</i>	<u>153,073</u>	<u>(722,829)</u>	<u>-</u>	<u>(2,461,255)</u>	<u>(3,031,011)</u>
<i>Fund Balances Beginning of Year, as previously presented</i>	<u>21,329,677</u>	<u>1,305,650</u>	<u>1,913,338</u>	<u>3,368,204</u>	<u>27,916,869</u>
<i>Change within financial reporting entity (major to nonmajor)</i>	<u>-</u>	<u>-</u>	<u>(1,913,338)</u>	<u>1,913,338</u>	<u>-</u>
<i>Fund Balances Beginning of Year, as Restated</i>	<u>21,329,677</u>	<u>1,305,650</u>	<u>-</u>	<u>5,281,542</u>	<u>27,916,869</u>
<i>Fund Balances End of Year</i>	<u>\$ 21,482,750</u>	<u>\$ 582,821</u>	<u>\$ -</u>	<u>\$ 2,820,287</u>	<u>\$ 24,885,858</u>

See accompanying notes to the basic financial statements.

**Westfall Local School District**  
**Pickaway 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** \$ (3,031,011)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.

Capital Asset Additions	\$ 4,561,943
Current Year Depreciation/Amortization	<u>(1,282,400)</u>

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (21,083)

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

Property Taxes	297,491
Intergovernmental	15,771
Accounts	<u>183,600</u>

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

General Obligation Bonds	260,000
Direct Borrowings	334,000
Lease	<u>12,044</u>

Inception of lease in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues. (83,202)

In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.

Amortization of Premium on Bonds	80,106
----------------------------------	--------

Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	1,658,994
OPEB	<u>51,553</u>

Except for amount 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	(1,716,543)
OPEB	<u>124,619</u>

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

Compensated Absences	<u>(127,764)</u>
----------------------	------------------

*Change in Net Position of Governmental Activities* \$ 1,318,118

See accompanying notes to the basic financial statements.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund*  
*For the Fiscal Year Ended June 30, 2024*

---



---

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues and Other Financing Sources	\$ 17,362,964	\$ 17,362,964	\$ 19,884,459	\$ 2,521,495
Expenditures and Other Financing Uses	<u>17,423,900</u>	<u>20,923,900</u>	<u>20,734,979</u>	<u>188,921</u>
Net Change in Fund Balance	(60,936)	(3,560,936)	(850,520)	2,710,416
<i>Fund Balance Beginning of Year</i>	17,303,462	17,303,462	17,303,462	-
Prior Year Encumbrances Appropriated	<u>60,936</u>	<u>60,936</u>	<u>60,936</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 17,303,462</u></u>	<u><u>\$ 13,803,462</u></u>	<u><u>\$ 16,513,878</u></u>	<u><u>\$ 2,710,416</u></u>

See accompanying notes to the basic financial statements.

*This page intentionally left blank.*

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

## **NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

Westfall Local School District (the School District) is a body politic and corporate organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District is a local school district as defined by Ohio Revised Code Section 3311.03. The School District operates under a locally-elected Board form of government consisting of members elected at-large for staggered four year terms. The School District provides educational services as authorized by the state statute and/or federal guidelines. The School District was established through the consolidation of existing land areas and school districts. It is staffed by non-certificated employees and certified employees who provide services to its students.

### ***Reporting Entity***

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

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

The School District is associated with one jointly governed organization, the Metropolitan Educational Technology Association (META). META is composed of members which includes school districts, joint vocational schools, educational service centers, and libraries covering counties in Central Ohio. The META helps its members purchase services, insurances, supplies, and other items at a discounted rate. The governing board of META is composed of either the superintendent, a designated representative or a member of the board of education for each participating school district in Franklin County and one representative from each county outside of Franklin County. Each year, the participating school districts pay a membership fee to META to cover the costs of administering the program. Financial information may be obtained from the Metropolitan Educational Technology Association, 2100 Citygate Dr., Columbus, OH 43219.

The School District is also associated with two insurance purchasing pools: Sheakley Uniservice Worker's Compensation Group Rating Plan (GRP) and the Pickaway County Public Employee Benefit Program. The Worker's Compensation Group Rating Plan (GRP) is an insurance purchasing pool with Sheakley Uniservice. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program. The Pickaway County Public Employer Benefit Program (the "Program") is a public entity shared risk pool consisting of four school districts within Pickaway County and its surrounding area. The Board of Directors exercise control over the operation of the Program. Each member School District is represented on the Board of Directors by their superintendent or superintendent designee. To obtain financial information, write to Treasurer, Teays Valley Local School District, 385 Viking Way, Ashville, Ohio 43103.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

The booster clubs and parent-teacher organizations perform activities within the School District's boundaries for the benefit of its residents are excluded from the accompanying financial statements because the School District is not financially accountable for these organizations nor are they fiscally dependent on the School District.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

### ***Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government. The statements show the activities of the School District that are governmental.

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

***Fund Financial Statements*** During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

### ***Fund Accounting***

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

**Governmental Funds** Governmental funds are those through which most governmental functions of the School District are financed. Governmental funds focus 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 total governmental fund assets and deferred outflows of resources and total governmental fund liabilities and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

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

**Permanent Improvement Fund** - This fund is used to account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary and trust funds. The primary source of revenue is tax revenue.

The other governmental funds of the School District account for grants and other resources to which the School District is bound to observe constraints imposed upon the use of the resources.

### **Measurement Focus**

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

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

### **Basis of Accounting**

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 5). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from 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, interest, tuition, grants, student fees and rentals.

**Deferred Outflows and Inflows of Resources** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources 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. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 11 and 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements.

Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue may include delinquent property taxes and grants and entitlements. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 11 and 12).

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

**Expenses/Expenditures** On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the statement of activities as an expense with a like amount reported within the “operating grants, contributions and interest” program revenue account.

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.

### ***Budgetary Process***

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

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

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

### ***Cash and Investments***

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the balance sheet. Except for nonparticipating investment contracts, investments are reported at fair value.

Investments of the School District's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

STAR Ohio (the State Treasury Asset Reserve of Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures 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.

There were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of \$100 million or more is appreciated. STAR Ohio reserves the right to limit the transaction to \$250 million per day.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2024 amounted to \$1,151,606 which includes \$290,836 assigned from other governmental funds.

***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 government or imposed by enabling legislation. The School District did not have any restricted assets at fiscal year-end.

***Prepaid Items***

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

On the fund financial statements, reported prepayments are equally offset by nonspendable fund balance in the governmental funds, which indicates that it does not constitute available spendable resources, even though it is a component of net current assets. The School District did not have any prepaid items at fiscal year-end.

***Inventory***

All inventories are valued at cost and donated commodities are presented at their entitlement value using the first in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. At fiscal year-end, the School District had no significant inventory balances on hand.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

### ***Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as the date received. The School District maintains a capitalization threshold of \$1,500 dollars. The School District does not possess any infrastructure. Improvements are capitalized; the normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings	100 years
Improvements	5 - 20 years
Furniture, Fixtures and Equipment	5 - 20 years
Library Books and Textbooks	5 - 10 years
Vehicles	10 years

The School District is reporting intangible right to use assets related to leased equipment. These intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

### ***Interfund Balances***

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivable" and "Interfund Payable". These amounts are eliminated in the governmental activities column of the statement of net position.

### ***Compensated Absences***

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payments in the future. The amount is based on accumulated sick leave and employees' wage rates at the fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for classified and certified employees and administrators who are over age 60 with five years of experience, over age 45 with ten years of experience, or any age with twenty-five years of experience.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

#### ***Accrued Liabilities and Long-Term Liabilities***

All payables, accrued liabilities and long-term liabilities are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims, 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 in the current year. Long-term bonds and leases are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that the benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payments of those benefits.

#### ***Unamortized Bond Premiums***

Bond premiums are presented as an addition to the face amount of the bonds. On government-wide statements, bond premiums are deferred and amortized using the straight-line method, which approximates the effective interest method. On the governmental fund financial statements, bond premiums are recognized in the current period. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.

#### ***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 to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension 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.

#### ***Net Position***

Net position represents the difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At fiscal year end, there was no net position restricted by enabling legislation.

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

***Fund Balance***

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

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

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

*Committed* - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education. Those committed amounts cannot be used for any other purpose unless the School 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 School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the School District’s Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the Board of Education or a School District official delegated by that authority by resolution or by State Statute. State statute authorizes the Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

### ***Interfund Transactions***

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures 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 to the funds that initially paid for them are not presented on the financial statements. Interfund transactions within governmental activities have been eliminated on the statement of activities.

### ***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 on the financial statements and accompanying notes. Actual results may differ from those estimates.

### ***Implementation of New Accounting Principles***

For the fiscal year ended June 30, 2024, the School District has implemented certain provisions of GASB Statement No. 99, *Omnibus 2022* and GASB Statement No. 100, *Accounting Changes and Error Corrections*.

GASB Statement No. 99 enhances comparability in accounting and financial reporting and improves 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 certain provisions of GASB Statement No. 99 that relate to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 did not have an effect on the financial statements of the School District.

GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide a more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessment accountability.

During the fiscal year, a change within the financial reporting entity resulted in adjustments to beginning fund balance as it relates to the Building fund, which was previously reported as a major fund. The effects of the change within the financial reporting entity are shown on the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.

### **NOTE 3 – BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis, as provided by law, and described above, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non- GAAP Budget Basis) and Actual, for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budgetary basis) rather than as an assignment of fund balance (GAAP basis).
4. Certain funds that are legally budgeted in separate special revenue funds are reported as part of the General Fund on the GAAP basis are not included on the budgetary basis, including the public school support fund, termination benefits fund and workers compensation and health insurance funds.

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

<b>Net Change in Fund Balance</b>		<b>General</b>
GAAP Basis		\$ 153,073
Net Adjustment for Revenue Accruals		(1,272,867)
Net Adjustment for Expenditure Accruals		263,447
Funds Budgeted Elsewhere		69,483
Adjustment for Encumbrances		<u>(63,656)</u>
Budget Basis		<u><u>\$ (850,520)</u></u>

#### **NOTE 4 – DEPOSITS AND INVESTMENTS**

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

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

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

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

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

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

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

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

***Deposits***

Custodial credit risk for deposits is the risk that, in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year the bank balance was \$1,566,111. Of the School District's bank balance, \$420,514 was covered by the Federal Depository Insurance Corporation (FDIC) and the remaining balance, excluding the School District's general checking account, was uninsured and collateralized.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

Ohio law requires that deposits either be insured or be protected by:

1. Eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
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 market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

***Investments***

At fiscal year-end, the School District reported the following investments:

S&P Global Ratings	Investment Type	Measurement Value	Investment Maturities			Percent of Total
			12 Months or Less	12 to 36 Months	More Than 36 Months	
Net Asset Value (NAV):						
AAAm	STAR Ohio	\$ 7,535,310	\$ 7,535,310	\$ -	\$ -	37.08%
AAAm	Money Market	7,321	7,321	-	-	0.04%
Fair Value:						
AA	Federal Agency Securities	5,070,644	1,220,220	2,179,823	1,670,601	24.95%
AA	US Treasury Note	1,726,302	-	-	1,726,302	8.50%
N/A	Negotiable Certificates of Deposit	4,160,358	1,469,732	2,444,878	245,748	20.47%
A-1	Commercial Paper	1,819,903	1,819,903	-	-	8.96%
Total Investments		<u>\$20,319,838</u>	<u>\$12,052,486</u>	<u>\$ 4,624,701</u>	<u>\$ 3,642,651</u>	<u>100.00%</u>

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

The above table identifies the School District's recurring fair value measurements as of June 30, 2024. The School District's fair value investments are Level 2 since valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data.

*Credit Risk:* The School District has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized statistical rating organization. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2024, is 47 days.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the School District's investment policy, the School District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

*Concentration of Credit Risk:* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School District's investment policy allows investments in eligible securities as described in the Ohio Revised Code. The policy does not place limitations on the amounts the School District may invest in a single issuer.

*Custodial Credit Risk:* Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District does not have a policy for custodial credit risk beyond the requirements of the Ohio Revised Code.

## **NOTE 5 – PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2024 represents collections of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2022, on the assessed value listed as of January 1, 2023, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2024 represents collections of calendar year 2023 taxes. Public utility real and tangible personal property taxes received in calendar year 2024 became a lien on December 31, 2022, were levied after April 1, 2023, and are collected in 2024 with real property taxes. Public utility real property is assessed at thirty five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

Tangible personal property tax revenue received during calendar year 2024 (other than public utility property tax) represents the collection of 2023 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2024 were levied after April 1, 2023, on the value as of December 31, 2023. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

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

	2023 Second-Half Collections		2024 First-Half Collections	
	Amount	Percent	Amount	Percent
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Real Estate	\$ 254,486,300	67.75%	\$ 372,131,720	75.52%
Public Utility Personal Property	121,122,340	32.25%	120,606,440	24.48%
Total Assessed Value	<u>\$ 375,608,640</u>	<u>100.00%</u>	<u>\$ 492,738,160</u>	<u>100.00%</u>
Full Tax Rate per \$1,000 of Assessed Valuation	\$ 32.98		\$ 32.80	

#### **NOTE 6 – RECEIVABLES**

Receivables at June 30, 2024 consisted of property taxes, accounts, interfund, and intergovernmental grants. 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.

#### **NOTE 7 – CAPITAL ASSETS**

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

<b>Governmental Activities</b>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/Deletions</u>	<u>Ending Balance</u>
Capital Assets, Not Being Depreciated/Amortized				
Land	\$ 105,604	\$ -	\$ -	\$ 105,604
Construction in Progress	28,422,291	4,438,483	(32,860,774)	-
Total Capital Assets, Not Being Depreciated/Amortized	<u>28,527,895</u>	<u>4,438,483</u>	<u>(32,860,774)</u>	<u>105,604</u>
Capital Assets Being Depreciated/Amortized				
Land Improvements	4,333,701	-	-	4,333,701
Buildings and Improvements	18,752,037	-	32,860,774	51,612,811
Furniture, Fixtures and Equipment	2,897,622	40,258	(67,659)	2,870,221
Intangible Right-to-Use Equipment	-	83,202	-	83,202
Vehicles	2,460,229	-	-	2,460,229
Library Books and Text Books	1,057,829	-	-	1,057,829
Total Capital Assets, Being Depreciated/Amortized	<u>29,501,418</u>	<u>123,460</u>	<u>32,793,115</u>	<u>62,417,993</u>
Less Accumulated Depreciation/Amortization:				
Land Improvements	(2,837,911)	(126,955)	-	(2,964,866)
Buildings and Improvements	(12,179,446)	(727,968)	-	(12,907,414)
Furniture, Fixtures and Equipment	(1,743,960)	(215,785)	46,576	(1,913,169)
Intangible Right-to-Use Equipment	-	(13,867)	-	(13,867)
Vehicles	(1,617,451)	(170,237)	-	(1,787,688)
Library Books and Text Books	(988,858)	(27,588)	-	(1,016,446)
Total Accumulated Depreciation/Amortization	<u>(19,367,626)</u>	<u>(1,282,400)</u>	<u>46,576</u>	<u>(20,603,450)</u>
Total Capital Assets Being Depreciated/Amortized, Net	<u>10,133,792</u>	<u>(1,158,940)</u>	<u>32,839,691</u>	<u>41,814,543</u>
Governmental Activities Capital Assets, Net	<u>\$38,661,687</u>	<u>\$ 3,279,543</u>	<u>\$ (21,083)</u>	<u>\$ 41,920,147</u>

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

Depreciation/amortization expense was charged to governmental functions as follows:

Instruction		
Regular	\$	755,536
Special		3,963
Other		10,355
Support Services:		
Instructional Staff		112,211
Fiscal		860
Operation and Maintenance		204,737
Pupil Transportation		170,343
Central		3,813
Operation of Non-Instructional Services		9,108
Extracurricular Activities		11,474
Total Depreciation/Amortization Expense	\$	<u>1,282,400</u>

#### **NOTE 8 – RISK MANAGEMENT**

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

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

For fiscal year 2024, the School District participated in the Sheakley Uniservice Worker's Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 1). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria.

Effective July 1, 2009, the School District began offering health care and prescription drug benefits to employees through the Pickaway County Public Employees Benefits Program, which is more fully described in Note 1. The health care coverage is administered by United Healthcare, a third-party administrator. The stop-loss coverage is \$150,000 per covered person and an aggregate of \$2,000,000.

The School District offers dental benefits through the Pickaway County Public Employees Benefits Program as well.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

**NOTE 9 – LONG-TERM OBLIGATIONS**

During fiscal year 2024, the following changes occurred in governmental activities long-term obligations.

	Balance Outstanding 6/30/2023	Additions	Deductions	Balance Outstanding 6/30/2024	Due in One Year
<i>General Obligation Bonds:</i>					
2021 School Facilities Bonds, 2-4%	\$ 14,160,000	\$ -	\$ (260,000)	\$ 13,900,000	\$ 265,000
<i>Total General Obligation Bonds</i>	<u>14,160,000</u>	<u>-</u>	<u>(260,000)</u>	<u>13,900,000</u>	<u>265,000</u>
<i>Direct Borrowings:</i>					
2021 Certificates of Participation, 2.5-4%	13,585,000	-	(300,000)	13,285,000	310,000
Water Treatment Plant	107,000	-	(34,000)	73,000	36,000
<i>Total Direct Borrowings</i>	<u>13,692,000</u>	<u>-</u>	<u>(334,000)</u>	<u>13,358,000</u>	<u>346,000</u>
<i>Net Pension/OPEB Liability</i>					
Net Pension Liability	17,886,844	-	(501,090)	17,385,754	-
Net OPEB Liability	1,103,688	118,581	-	1,222,269	-
<i>Total Net Pension/OPEB Liability</i>	<u>18,990,532</u>	<u>118,581</u>	<u>(501,090)</u>	<u>18,608,023</u>	<u>-</u>
Premium on Long-Term Debt	2,202,878	-	(80,106)	2,122,772	-
Lease	-	83,202	(12,044)	71,158	14,862
Compensated Absences	1,059,462	160,901	(33,137)	1,187,226	152,437
<i>Total Long-Term Obligations</i>	<u>\$ 50,104,872</u>	<u>\$ 362,684</u>	<u>\$ (1,220,377)</u>	<u>\$ 49,247,179</u>	<u>\$ 778,299</u>

The bonds and the water treatment plant are paid from the Bond Retirement Fund. The lease and the certificates of participation are being paid from the Permanent Improvement Fund. Compensated absences are being paid from the fund from which the employee is paid, with the General Fund being the most significant. There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund. For additional information related to the net pension liability and net OPEB liability see Notes 11 and 12.

**2021 School Facilities Construction and Improvement Bonds** - On March 9, 2021, the School District issued \$14,445,000 in general obligation bonds for the purpose of acquiring and constructing a new school facility, renovating and improving all school district facilities, furnishing and equipping the same, and improving the sites thereof and appurtenances thereto. The bond issue included serial and term bonds, in the amounts of \$3,295,000 and \$11,150,000, respectively. The term bonds were issued for a 29-year period with final maturity at December 1, 2050 and have interest rates ranging from 2.375 percent to 4.0 percent. The serial bonds were issued for a 10-year period with final maturity at December 1, 2031 and have interest rates ranging from 2.0 percent to 4.0 percent.

**2021 Certificates of Participation** - On April 21, 2021, the School District issued \$15,000,000 in certificates of participation for the purpose of constructing and renovating school facilities. The debt issue included serial and term certificates in the amounts of \$4,150,000 and \$10,850,000, respectively. The term certificates were issued for a 29-year period with final maturity at December 1, 2050 and have interest rates ranging from 2.5 percent to 3.0 percent. The serial certificates were issued for a 9-year period with final maturity at December 1, 2030 and have interest rates ranging from 3.0 percent to 4.0 percent.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

*Water Treatment Plant Direct Borrowing* - The School District has entered into an agreement for a water treatment plant in 2005. The agreement was issued for a 20-year period with final maturity in December 2025 and has an interest rate of 5.00 percent.

*Lease* - The School District has an outstanding agreement to lease copiers. The lease has a final maturity in August 2028 and has an interest rate of 8.50 percent.

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

Ending June 30	General Obligation Bonds		Certificates of Participation		Water Treatment Plant	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 265,000	\$ 444,819	\$ 310,000	\$ 400,125	\$ 36,000	\$ 2,580
2026	275,000	435,344	320,000	387,525	37,000	868
2027	335,000	423,144	335,000	374,425	-	-
2028	345,000	409,544	345,000	360,825	-	-
2029	360,000	395,444	360,000	346,725	-	-
2030-2034	2,030,000	1,744,620	2,015,000	1,520,027	-	-
2035-2039	2,475,000	1,295,720	2,350,000	1,185,375	-	-
2040-2044	2,945,000	824,593	2,725,000	804,750	-	-
2045-2049	3,395,000	382,547	3,150,000	379,100	-	-
2050-2051	1,475,000	35,209	1,375,000	34,563	-	-
	<u>\$ 13,900,000</u>	<u>\$ 6,390,984</u>	<u>\$ 13,285,000</u>	<u>\$ 5,793,440</u>	<u>\$ 73,000</u>	<u>\$ 3,448</u>

Ending June 30	Lease	
	Principal	Interest
2025	\$ 14,862	\$ 5,478
2026	16,175	4,165
2027	17,605	2,735
2028	19,161	1,179
2029	3,355	36
	<u>\$ 71,158</u>	<u>\$ 13,593</u>

## NOTE 10 – EMPLOYEE BENEFITS

### *Compensated Absences*

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators who work less than 260 days per year do not earn vacation time.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 260 days for aides and all other classified employees, and for certified employees. Upon retirement, payment is made for 30% of accrued, but unused sick leave credit up to a maximum of 72 days for all employees.

***Health, Prescription Drug and Dental Insurance***

The School District provides health care, prescription drug and dental benefits through the Pickaway County Public Employees Benefits Program.

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

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

***Net Pension Liability/Net OPEB Liability (Asset)***

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

The net pension/OPEB liability (asset) represents the School District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension 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 this estimate annually.

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

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

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 *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

***Plan Description - School Employees Retirement System (SERS)***

Plan Description – School District non-teaching employees participate in SERS, a statewide, cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability, and survivor 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](http://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 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, may be included in this plan.

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

Medicare B was 14.0 percent. For fiscal year 2024, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$420,144 for fiscal year 2024. Of this amount, \$31,586 is reported as an intergovernmental payable.

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

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

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

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

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

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

The Combined plan offers features of both the DB Plan and the DC Plan. In the Combined plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

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

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

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

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

The School District's contractually required contribution to STRS was \$1,238,850 for fiscal year 2024. Of this amount, \$222,380 is reported as an intergovernmental payable.

***Pension Liabilities, Pension Expense, and Deferred Outflows/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 independent actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.0720590%	0.06224361%	
Prior Measurement Date	0.0770092%	0.06172519%	
Change in Proportionate Share	<u>-0.0049502%</u>	<u>0.00051842%</u>	
Proportionate Share of the Net			
Pension Liability	\$ 3,981,631	\$ 13,404,123	\$ 17,385,754
Pension Expense	\$ 436,525	\$ 1,280,018	\$ 1,716,543

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five-year period.

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

	SERS	STRS	Total
<b>Deferred Outflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 171,139	\$ 488,687	\$ 659,826
Changes of Assumptions	28,205	1,103,902	1,132,107
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	49,879	343,388	393,267
School District Contributions Subsequent to the Measurement Date	420,144	1,238,850	1,658,994
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 669,367</u></b>	<b><u>\$ 3,174,827</u></b>	<b><u>\$ 3,844,194</u></b>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and Actual Experience	\$ -	\$ 29,743	\$ 29,743
Net Difference between Projected and Actual Earnings on Pension Plan Investments	55,967	40,175	96,142
Changes of Assumptions	-	830,920	830,920
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	194,296	2,327	196,623
<b>Total Deferred Inflows of Resources</b>	<b><u>\$ 250,263</u></b>	<b><u>\$ 903,165</u></b>	<b><u>\$ 1,153,428</u></b>

\$1,658,994 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	\$ 9,572	\$ 48,366	\$ 57,938
2026	(221,463)	(295,586)	(517,049)
2027	207,885	1,341,653	1,549,538
2028	<u>2,966</u>	<u>(61,621)</u>	<u>(58,655)</u>
<b>Total</b>	<b><u>\$ (1,040)</u></b>	<b><u>\$ 1,032,812</u></b>	<b><u>\$ 1,031,772</u></b>

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

***Actuarial Assumptions - SERS***

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

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

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

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

Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
COLA or Ad Hoc COLA	2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement

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

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

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

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

**Discount Rate** The total pension liability for 2023 was calculated using the discount rate of 7.00 percent. The discount rate did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed 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 14.00 percent. Projected inflows from investment earnings were calculated using the long term assumed investment rate of return, 7.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90 percent.

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

	Current		
	1% Decrease	Discount Rate	1% Increase
School District's Proportionate Share of the Net Pension Liability	\$ 5,876,684	\$ 3,981,631	\$ 2,385,410

***Actuarial Assumptions - STRS***

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

Inflation	2.50 percent
Salary Increases	From 2.5 percent to 8.5 percent, based on service
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.00 percent, effective July 1, 2017

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

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

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

Asset Class	Target Allocation*		Long-Term Expected Rate of Return**	
	Allocation*	%	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	100.00	%		

\*Final target weights reflected at October 1, 2022.

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

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

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

	Current		
	1% Decrease	Discount Rate	1% Increase
School District's Proportionate Share of the Net Pension Liability	\$ 20,612,574	\$ 13,404,123	\$ 7,307,745

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

#### **NOTE 12 - DEFINED BENEFIT OPEB PLANS**

See Note 11 for a description of the net OPEB liability (asset).

##### ***Plan Description - School Employees Retirement System (SERS)***

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

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

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. 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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2.00 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.50 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2024, the School District's surcharge obligation was \$51,553, which is reported as an intergovernmental payable. The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was equal to its surcharge obligation for fiscal year 2024.

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

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

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

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

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.0741918%	0.06224361%	
Prior Measurement Date	0.0786097%	0.06172519%	
Change in Proportionate Share	<u>-0.0044179%</u>	<u>0.00051842%</u>	
Proportionate Share of the Net OPEB Liability (Asset)	\$ 1,222,269	\$ (1,210,552)	
OPEB Expense	\$ (60,701)	\$ (63,918)	\$ (124,619)

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in OPEB expense beginning in the current period, using a straight-line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five-year period.

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

	SERS	STRS	Total
<b>Deferred Outflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 2,549	\$ 1,887	\$ 4,436
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	9,477	2,159	11,636
Changes of Assumptions	413,285	178,329	591,614
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	153,271	13,223	166,494
School District Contributions Subsequent to the Measurement Date	51,553	-	51,553
<b>Total Deferred Outflows of Resources</b>	<u>\$ 630,135</u>	<u>\$ 195,598</u>	<u>\$ 825,733</u>

	SERS	STRS	Total
<b>Deferred Inflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 630,369	\$ 184,642	\$ 815,011
Changes of Assumptions	347,137	798,704	1,145,841
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	151,800	17,444	169,244
<b>Total Deferred Inflows of Resources</b>	<u>\$ 1,129,306</u>	<u>\$ 1,000,790</u>	<u>\$ 2,130,096</u>

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

\$51,553 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction/addition to the net OPEB liability/asset in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2025	\$ (167,229)	\$ (350,421)	\$ (517,650)
2026	(141,008)	(170,551)	(311,559)
2027	(78,139)	(62,186)	(140,325)
2028	(56,282)	(84,476)	(140,758)
2029	(52,449)	(77,652)	(130,101)
Thereafter	<u>(55,617)</u>	<u>(59,906)</u>	<u>(115,523)</u>
Total	<u>\$ (550,724)</u>	<u>\$ (805,192)</u>	<u>\$ (1,355,916)</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.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

---

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

Inflation	2.40 percent
Future Salary Increases, including Inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Fiduciary Net Position is Projected to be Depleted	2048
Municipal Bond Index Rate	
Measurement Date	3.86 percent
Prior Measurement Date	3.69 percent
Single Equivalent Interest Rate	
Measurement Date	4.27 percent
Prior Measurement Date	4.08 percent
Health Care Cost Trend Rate	
Medicare	5.125 to 4.40 percent
Pre-Medicare	6.75 to 4.40 percent
Medical Trend Assumption	
Measurement Date	6.75 to 4.40 percent
Prior Measurement Date	7.00 to 4.40 percent

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

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020 and was adopted by the Board on April 15, 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. 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.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

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

<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	<u>5.00</u>	<u>5.64</u>
Total	<u>100.00 %</u>	

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

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

	Current		
	1% Decrease	Discount Rate	1% Increase
School District's Proportionate Share of the Net OPEB Liability	\$ 1,562,410	\$ 1,222,269	\$ 954,055
	1% Decrease	Current	1% Increase
	Trend Rate	Trend Rate	Trend Rate
School District's Proportionate Share of the Net OPEB Liability	\$ 897,959	\$ 1,222,269	\$ 1,652,024

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

***Actuarial Assumptions – STRS***

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

	June 30, 2023	June 30, 2022
Projected Salary Increases	Varies by service from 2.5 percent to 8.5 percent	Varies by service from 2.5 percent to 8.5 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent	3.00 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 4.14 percent ultimate	7.50 percent initial 3.94 percent ultimate
Medicare	-10.94 percent initial 4.14 percent ultimate	-68.78 percent initial 3.94 percent ultimate
Prescription Drug		
Pre-Medicare	-11.95 percent initial 4.14 percent ultimate	9.00 percent initial 3.94 percent ultimate
Medicare	1.33 percent initial 4.14 percent ultimate	-5.47 percent initial 3.94 percent ultimate

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

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

Actuarial assumptions used in the June 30, 2023, valuation is 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:

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

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

\*Final target weights reflected at October 1, 2022.

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
School District's Proportionate Share of the Net OPEB (Asset)	\$ (1,024,574)	\$ (1,210,552)	\$ (1,372,520)

	1% Decrease	Current Trend Rate	1% Increase
School District's Proportionate Share of the Net OPEB (Asset)	\$ (1,380,035)	\$ (1,210,552)	\$ (1,006,413)

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

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

**NOTE 13 – INTERFUND ACTIVITY**

Interfund balances at fiscal year-end, as reported on the fund financial statements, consist of the following:

Fund	Receivable	Payable
General Fund	\$ 18,728	\$ -
Nonmajor Governmental Funds	- <hr/>	18,728 <hr/>
<b>Total</b>	<b>\$ 18,728</b> <hr/>	<b>\$ 18,728</b> <hr/>

Interfund advances were made to provide funds for federal grants until funding was received and are reported as Interfund Receivables/Payables. In general, interfund advances are made at the end of the fiscal year and then returned the next fiscal year when funding is received.

**NOTE 14 – STATUTORY SET-ASIDES**

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

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

	Capital Improvement Reserve
Set-Aside Restricted Balance, June 30, 2023	\$ -
Current Fiscal Year Set-Aside Requirement	285,150
Current Year Offsets	<hr/> (933,551) <hr/>
<b>Total</b>	<b>\$ (648,401)</b> <hr/>
Balance Carried Forward to Fiscal Year 2025	\$ -
Set-aside balance at June 30, 2024	\$ -

The School District had current year offsets during the year that reduced the capital improvements reserve set-asides below zero. This amount may not be used to reduce the set-aside requirement in future fiscal years. The negative balance, is therefore, not being presented as being carried forward to the future fiscal year.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---



---

**NOTE 15 –FUND BALANCE**

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

	General	Permanent Improvement	Other		Total
			Governmental Funds		
<b>Restricted for:</b>					
Capital Outlay	\$ -	\$ 582,821	\$ 544	\$ 583,365	
Debt Service	-	-	1,918,585	1,918,585	
Food Service	-	-	582,262	582,262	
Other Purposes	-	-	357	357	
Classroom Facilities	-	-	113,579	113,579	
Extracurricular Activities	-	-	149,998	149,998	
State and Federal Grants	-	-	122,694	122,694	
<b>Total Restricted</b>	<b>-</b>	<b>582,821</b>	<b>2,888,019</b>	<b>3,470,840</b>	
<b>Committed for:</b>					
Termination Benefits	413,068	-	-	413,068	
<b>Total Committed</b>	<b>413,068</b>	<b>-</b>	<b>-</b>	<b>413,068</b>	
<b>Assigned for:</b>					
Instruction	330	-	-	330	
Support Services	46,182	-	-	46,182	
Extracurricular	600	-	-	600	
Public School Support	70,995	-	-	70,995	
<b>Total Assigned</b>	<b>118,107</b>	<b>-</b>	<b>-</b>	<b>118,107</b>	
<b>Unassigned</b>	<b>20,951,575</b>	<b>-</b>	<b>(67,732)</b>	<b>20,883,843</b>	
<b>Total Fund Balance</b>	<b>\$ 21,482,750</b>	<b>\$ 582,821</b>	<b>\$ 2,820,287</b>	<b>\$ 24,885,858</b>	

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

	<u>Deficit</u>
<b><i>Non-Major Governmental Funds</i></b>	
Title I	56,510
Title IV	11,222
<b>Total</b>	<b><u>\$ 67,732</u></b>

These deficit fund balances are the result of the recognition of payables in accordance with accounting principles generally accepted in the United States of America. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**Westfall Local School District  
Pickaway County, Ohio**

## NOTE 16 – CONTINGENCIES

## *Grants*

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

## *Litigation*

The School District is not party to legal proceedings that, in the opinion of management, would have a material impact on the financial statements.

## NOTE 17 – SIGNIFICANT COMMITMENTS

### ***Encumbrance Commitments***

The School 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 School District's encumbrances in governmental funds were as follows:

Fund	Amount
General	\$ 49,212
Permanent Improvement	67,085
Nonmajor Governmental	6,377
	<u>\$ 122,674</u>

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Schedule of School District's Proportionate Share of the Net Pension Liability*  
*Last Ten Fiscal Years*

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b><i>School Employees Retirement System (SERS)</i></b>				
School District's Proportion of the Net Pension Liability	0.0720590%	0.0770092%	0.0743966%	0.0685839%
School District's Proportionate Share of the Net Pension Liability Pension Liability	\$ 3,981,631	\$ 4,165,257	\$ 2,745,019	\$ 4,536,284
School District's Covered Payroll	\$ 2,848,793	\$ 2,929,714	\$ 2,573,850	\$ 2,418,814
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	139.77%	142.17%	106.65%	187.54%
Plan Fiduciary Net Position as a Percentage	76.06%	75.82%	82.86%	68.55%
<b><i>School Teachers Retirement System (STRS)</i></b>				
School District's Proportion of the Net Pension Liability	0.06224361%	0.06172519%	0.06162138%	0.05830305%
School District's Proportionate Share of the Net Pension Liability	\$ 13,404,123	\$ 13,721,587	\$ 7,878,847	\$ 14,107,264
School District's Covered Payroll	\$ 8,458,807	\$ 8,338,593	\$ 7,696,414	\$ 7,080,193
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	158.46%	164.56%	102.37%	199.25%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Pension Liability	80.02%	78.90%	87.80%	75.48%

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.0667428%	0.0685447%	0.0673240%	0.0665478%	0.0677706%	0.0643350%
\$ 3,993,339	\$ 3,925,682	\$ 4,022,460	\$ 4,870,685	\$ 3,867,056	\$ 3,255,958
\$ 2,275,267	\$ 2,251,967	\$ 2,229,026	\$ 2,064,936	\$ 2,054,896	\$ 1,877,904
175.51%	174.32%	180.46%	235.88%	188.19%	173.38%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%
0.05800690%	0.05842051%	0.05641625%	0.05715879%	0.05619370%	0.05712397%
\$ 12,827,877	\$ 12,845,358	\$ 13,401,801	\$ 19,132,770	\$ 15,530,295	\$ 13,894,526
\$ 6,840,536	\$ 6,695,150	\$ 6,551,233	\$ 6,312,936	\$ 6,203,811	\$ 6,214,473
187.53%	191.86%	204.57%	303.07%	250.33%	223.58%
77.40%	77.30%	75.30%	66.80%	72.10%	74.70%

See accompanying notes to the required supplementary information.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Schedule of School District's Contributions - Pension*  
*Last Ten Fiscal Years*

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b><i>School Employees Retirement System (SERS)</i></b>				
Contractually Required Contribution	\$ 420,144	\$ 398,831	\$ 410,160	\$ 360,339
Contributions in Relation to the Contractually Required Contribution	<u>\$ (420,144)</u>	<u>\$ (398,831)</u>	<u>\$ (410,160)</u>	<u>\$ (360,339)</u>
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered Payroll	\$ 3,001,029	\$ 2,848,793	\$ 2,929,714	\$ 2,573,850
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
<b><i>School Teachers Retirement System (STRS)</i></b>				
Contractually Required Contribution	\$ 1,238,850	\$ 1,184,233	\$ 1,167,403	\$ 1,077,498
Contributions in Relation to the Contractually Required Contribution	<u>\$ (1,238,850)</u>	<u>\$ (1,184,233)</u>	<u>\$ (1,167,403)</u>	<u>\$ (1,077,498)</u>
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered Payroll	\$ 8,848,929	\$ 8,458,807	\$ 8,338,593	\$ 7,696,414
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
\$ 338,634	\$ 307,161	\$ 304,016	\$ 312,064	\$ 289,091	\$ 270,835
<u>\$ (338,634)</u>	<u>\$ (307,161)</u>	<u>\$ (304,016)</u>	<u>\$ (312,064)</u>	<u>\$ (289,091)</u>	<u>\$ (270,835)</u>
<u>\$ -</u>					
\$ 2,418,814	\$ 2,275,267	\$ 2,251,967	\$ 2,229,026	\$ 2,064,936	\$ 2,054,896
14.00%	13.50%	13.50%	14.00%	14.00%	13.18%
\$ 991,227	\$ 957,675	\$ 937,321	\$ 917,172	\$ 883,811	\$ 868,534
<u>\$ (991,227)</u>	<u>\$ (957,675)</u>	<u>\$ (937,321)</u>	<u>\$ (917,172)</u>	<u>\$ (883,811)</u>	<u>\$ (868,534)</u>
<u>\$ -</u>					
\$ 7,080,193	\$ 6,840,536	\$ 6,695,150	\$ 6,551,233	\$ 6,312,936	\$ 6,203,811
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Schedule of School District's Proportionate Share of the Net OPEB Liability (Asset)*  
*Last Eight Fiscal Years (1)*

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b><i>School Employees Retirement System (SERS)</i></b>				
School District's Proportion of the Net OPEB Liability	0.0741918%	0.0786097%	0.0763890%	0.0704470%
School District's Proportionate Share of the Net OPEB Liability	\$ 1,222,269	\$ 1,103,688	\$ 1,445,715	\$ 1,531,044
School District's Covered Payroll	\$ 2,848,793	\$ 2,929,714	\$ 2,573,850	\$ 2,418,814
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.90%	37.67%	56.17%	63.30%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.02%	30.34%	24.08%	18.17%
<b><i>School Teachers Retirement System (STRS)</i></b>				
School District's Proportion of the Net OPEB Liability/(Asset)	0.06224361%	0.06172519%	0.06162100%	0.05830300%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (1,210,552)	\$ (1,598,271)	\$ (1,299,228)	\$ (1,024,674)
School District's Covered Payroll	\$ 8,458,807	\$ 8,338,593	\$ 7,696,414	\$ 7,080,193
School District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	-14.31%	-19.17%	-16.88%	-14.47%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	168.52%	230.73%	174.73%	182.10%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
0.0680760%	0.0692068%	0.0683634%	0.0677257%
\$ 1,711,973	\$ 1,919,984	\$ 1,834,694	\$ 1,930,433
\$ 2,275,267	\$ 2,251,967	\$ 2,229,026	\$ 2,064,936
75.24%	85.26%	82.31%	93.49%
15.57%	13.57%	12.46%	11.49%
0.05800700%	0.05842051%	0.05641625%	0.05715879%
\$ (960,735)	\$ (938,758)	\$ 2,201,154	\$ 3,056,867
\$ 6,840,536	\$ 6,695,150	\$ 6,551,233	\$ 6,312,936
-14.04%	-14.02%	33.60%	48.42%
174.70%	176.00%	47.10%	37.30%

See accompanying notes to the required supplementary information.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Schedule of School District's Contributions - OPEB*  
*Last Ten Fiscal Years*

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b><i>School Employees Retirement System (SERS)</i></b>				
Contractually Required Contribution (1)	\$ 51,553	\$ 54,467	\$ 50,657	\$ 47,576
Contributions in Relation to the Contractually Required Contribution	<u>\$ (51,553)</u>	<u>\$ (54,467)</u>	<u>\$ (50,657)</u>	<u>\$ (47,576)</u>
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered Payroll	\$ 3,001,029	\$ 2,848,793	\$ 2,929,714	\$ 2,573,850
Contributions as a Percentage of Covered Payroll (1)	1.72%	1.91%	1.73%	1.85%
<b><i>School Teachers Retirement System (STRS)</i></b>				
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered Payroll	\$ 8,848,929	\$ 8,458,807	\$ 8,338,593	\$ 7,696,414
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) Includes Surcharge

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
\$ 41,840	\$ 51,418	\$ 47,175	\$ 37,468	\$ 34,390	\$ 51,947
<u>\$ (41,840)</u>	<u>\$ (51,418)</u>	<u>\$ (47,175)</u>	<u>\$ (37,468)</u>	<u>\$ (34,390)</u>	<u>\$ (51,947)</u>
<u><u>\$ -</u></u>					
\$ 2,418,814	\$ 2,275,267	\$ 2,251,967	\$ 2,229,026	\$ 2,064,936	\$ 2,054,896
1.73%	2.26%	2.09%	1.68%	1.67%	2.53%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ -</u>					
<u><u>\$ -</u></u>					
\$ 7,080,193	\$ 6,840,536	\$ 6,695,150	\$ 6,551,233	\$ 6,312,936	\$ 6,203,811
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2024*

---

---

## **NOTE 1 - NET PENSION LIABILITY**

There were no changes in assumptions or benefit terms for the fiscal years reported unless otherwise stated below:

### ***Changes in Assumptions - SERS***

Amounts reported in 2022 incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used in prior years are presented as follows:

	<u>Fiscal Year 2022</u>	<u>Fiscal Years 2021-2017</u>	<u>Fiscal Years 2016 and Prior</u>
Wage Inflation	2.40%	3.00%	3.25%
Future Salary Increases, including inflation	3.25% to 13.58%	3.50% to 18.20%	4.00% to 22.00%
Investment Rate of Return	7.00% net of system expenses	7.50% net of investment expenses, including inflation	7.75% net of investment expenses, including inflation

Beginning in 2022, amounts reported use mortality rates based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP2020 projection scale generationally.

Beginning in fiscal year 2018, on each anniversary of the initial retirement, the allowance of all retirees and survivors may be increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0 percent nor greater than 2.5 percent.

Amounts report for 2017 through 2021 use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

### ***Changes in Benefit Terms - SERS***

For fiscal year 2022, COLA were increased from 2.00 percent to 2.50 percent.

For fiscal year 2021, COLA were reduced from 2.50 percent to 2.00 percent.

For fiscal year 2018, the cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.50 percent with a floor of zero percent beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2024*

---

---

### ***Changes in Assumptions – STRS***

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal years 2018-2021 and fiscal year 2017 and prior are presented as follows:

	<u>Fiscal Years 2022 and 2023</u>	<u>Fiscal Years 2021-2018</u>	<u>Fiscal Years 2017 and Prior</u>
Inflation	2.50%	2.50%	2.75%
Projected Salary Increases	From 2.50% to 12.50% based on age	From 12.50% at age 20 to 2.50% at age 65	From 12.25% at age 20 to 2.75% at age 70
Investment Rate of Return, net of investment expenses, including inflation	7.00%	7.45%	7.75%
Payroll Increases	3.00%	3.00%	3.50%

Beginning with fiscal year 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Beginning with fiscal year 2018, post-retirement mortality rates for healthy retirees were based on the RP2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

### ***Changes in Benefit Terms - STRS***

For fiscal year 2023, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient's retirement date for those eligible during fiscal year 2023 and eliminated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

For fiscal year 2018, the COLA was reduced to zero.

Fiscal year 2017 and prior, COLA was 2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013 or later, 2 percent COLA commences on fifth anniversary of retirement date.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2024*

---

---

## **NOTE 2 - NET OPEB LIABILITY (ASSET)**

### ***Changes in Assumptions – SERS***

Amounts reported incorporate changes in assumptions and changes in benefit terms used by SERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2021 and prior are presented below:

	<u>Fiscal Years 2023 and 2022</u>	<u>Fiscal Years 2021-2017</u>
Inflation	2.40%	3.00%
Future Salary Increases, including inflation	3.25% to 13.58%	3.50% to 18.20%
Investment Rate of Return, net of investment expenses, including inflation	7.00%	7.50%

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

<u>Assumption</u>	<u>Fiscal Year</u>							
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Municipal Bond Index Rate	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%	2.92%
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	4.27%	4.08%	2.27%	2.63%	3.22%	3.70%	3.63%	2.98%

### ***Changes in Assumptions – STRS***

For fiscal year 2023, the projected salary increases were changed from age based (2.5 percent to 12.50 percent) to service based (2.5 percent to 8.5 percent).

For fiscal year 2022, the discount rate was decreased from 7.45 percent to the long-term expected rate of return of 7.00.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

For fiscal year 2018, the blended discount rate was increased from 3.26 percent to 4.13 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

**Westfall Local School District**  
**Pickaway County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2024*

---

---

***Changes in Benefit Terms – STRS***

Effective January 1, 2024, Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes.

For fiscal year 2023, health care trends were updated to reflect emerging claims and recoveries experience.

For fiscal year 2022, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2022, premium based on June 30, 2021, enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2022, from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in calendar year 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

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

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

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent 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. This was subsequently extended, see above paragraph.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**WESTFALL LOCAL SCHOOL DISTRICT**  
**PICKAWAY COUNTY, OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal Grantor/ Pass Through Grantor/ Program Title	Assistance Listing Number	Pass through Entity Identifying Number	Federal Disbursements
<b>U. S. Department of Agriculture:</b>			
<i>Passed Through Ohio Department of Education and Workforce</i>			
<i>Child Nutrition Cluster</i>			
School Breakfast Program	10.553	2024	\$ 132,929
National School Lunch Program	10.555	2024	347,643
COVID-19: National School Lunch Program	10.555	2024	41,511
National School Lunch Program (Non-Cash)	10.555	2024	44,208
Total National School Lunch Program			<u>433,362</u>
<i>Total Child Nutrition Cluster</i>			<u>566,291</u>
<i>Total U.S. Department of Agriculture</i>			<b><u>566,291</u></b>
<b>U. S. Department of the Treasury:</b>			
<i>Passed Through Ohio Facilities Construction Commission</i>			
COVID-19: Coronavirus State and Local Fiscal Recovery - K12 School Safety	21.027	2024	<u>100,000</u>
<i>Total U.S. Department of the Treasury</i>			<b><u>100,000</u></b>
<b>U. S. Department of Education:</b>			
<i>Passed Through Ohio Department of Education and Workforce</i>			
Title I Grants to Local Educational Agencies - Improving Basic Programs	84.010A	2023	27,832
Title I Grants to Local Educational Agencies - Improving Basic Programs	84.010A	2024	<u>336,202</u>
Total Title I Grants to Local Educational Agencies			<u>364,034</u>
<i>Special Education Cluster:</i>			
Special Education Grants to States	84.027A	2023	6,824
Special Education Grants to States	84.027A	2024	<u>323,929</u>
Total Special Education Grants to States			<u>330,753</u>
Special Education Preschool Grants	84.173A	2024	<u>11,773</u>
<i>Total Special Education Cluster</i>			<u>342,526</u>
Supporting Effective Instruction State Grants - Title II-A	84.367A	2024	102,767
Student Support and Academic Enrichment Program - Title IV-A	84.424A	2024	55,792
COVID-19: Education Stabilization Fund (ESSER II)	84.425D	COVID-19; 2023	214,379
COVID-19: Education Stabilization Fund (ARP ESSER)	84.425U	COVID-19; 2024	87,133
COVID-19: Education Stabilization Fund (ARP Homeless Round II)	84.425W	COVID-19; 2023	14,612
Total COVID-19: Education Stabilization Fund			<u>316,124</u>
<i>Total U.S. Department of Education</i>			<b><u>1,181,243</u></b>
<i>Total Federal Assistance</i>			<b><u>\$ 1,847,534</u></b>

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

**Westfall Local School District**  
**Pickaway 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**

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

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE 3 – INDIRECT COST RATE**

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

**NOTE 4 - CHILD NUTRITION CLUSTER**

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

**NOTE 5 – FOOD DONATION PROGRAM**

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



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

Westfall Local School District  
Pickaway County  
19463 Pherson Pike  
Williamsport, Ohio 43164

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Westfall Local School District, Pickaway County, Ohio (the School District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated March 17, 2025.

### ***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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.

Westfall Local School District  
Pickaway County  
Independent Auditor's Report On Internal Control Over  
Financial Reporting And On Compliance And Other Matters  
Required By *Government Auditing Standards*  
Page 2

***Report on Compliance and Other Matters***

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



Keith Faber  
Auditor of State  
Columbus, Ohio

March 17, 2025



65 East State Street  
Columbus, Ohio 43215  
[ContactUs@ohioauditor.gov](mailto:ContactUs@ohioauditor.gov)  
800-282-0370

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

Westfall Local School District  
Pickaway County  
19463 Pherson Pike  
Williamsport, Ohio 43164

To the Board of Education:

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

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

In our opinion, Westfall Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

***Basis for Opinion on the Major Federal Program***

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

We are required to be independent of the 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 the major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Westfall Local School District

Pickaway County

Independent Auditor's Report on Compliance with Requirements

Applicable to the Major Federal Program and on Internal Control Over Compliance

Required by the Uniform Guidance

Page 2

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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 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 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.

Westfall Local School District

Pickaway County

Independent Auditor's Report on Compliance with Requirements

Applicable to the Major Federal Program and on Internal Control Over Compliance

Required by the Uniform Guidance

Page 3

### **Report on Internal Control Over Compliance**

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

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

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

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



Keith Faber  
Auditor of State  
Columbus, Ohio

March 17, 2025

**THIS PAGE INTENTIONALLY LEFT BLANK**

**WESTFALL LOCAL SCHOOL DISTRICT  
PICKAWAY COUNTY**

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

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Child Nutrition Cluster
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	Yes

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

None noted.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None noted.

**THIS PAGE INTENTIONALLY LEFT BLANK**



# WESTFALL LOCAL SCHOOLS



19463 Pherson Pike  
Williamsport, Ohio 43164  
Telephone: 740-986-3671  
Fax: 740-986-4018

**Jason Fife-Superintendent**  
*jason.fife@westfallschools.com*  
**Joseph D. Patete-Treasurer**  
*joseph.patete@westfallschools.com*

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

Finding Number	Finding Summary	Status	Additional Information
2023-001	<p>In order to properly state financial statement amounts, the following adjustment was made to the School District's financial statements for the fiscal year ended June 30, 2023:</p> <p>To properly state building project expenditures on the fund financial statement for the Building Fund, an adjustment was necessary to increase capital outlay expenditures by \$20,339,092 and decrease support services: instructional staff by \$19,413,132 and support services: fiscal by \$925,960.</p> <p>The financial statements and notes have been adjusted to properly report the activity.</p>	Corrected	N/A

**THIS PAGE INTENTIONALLY LEFT BLANK**

# OHIO AUDITOR OF STATE KEITH FABER



WESTFALL LOCAL SCHOOL DISTRICT

PICKAWAY COUNTY

## AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 3/27/2025

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](http://www.ohioauditor.gov)