



OHIO AUDITOR OF STATE
KEITH FABER



**RIDGEWOOD LOCAL SCHOOL DISTRICT
 COSHOCTON COUNTY
 JUNE 30, 2023**

TABLE OF CONTENTS

TITLE	PAGE
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	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet	
Governmental Funds	19
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	20
Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)	
General Fund.....	23
Schoolwide Building Program Fund	24
Statement of Fund Net Position	
Proprietary Fund.....	25
Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Fund.....	26
Statement of Cash Flows	
Proprietary Fund.....	27
Notes to the Basic Financial Statements.....	29

**RIDGEWOOD LOCAL SCHOOL DISTRICT
 COSHOCTON COUNTY
 JUNE 30, 2023**

**TABLE OF CONTENTS
 (Continued)**

TITLE	PAGE
Required Supplementary Information:	
Schedule of the District's Proportionate Share of the Net Pension Liability (School Employees Retirement System (SERS) of Ohio)	74
Schedule of the District's Proportionate Share of the Net Pension Liability (State Teachers Retirement System (STRS) of Ohio)	76
Schedule of District Pension Contributions (School Employees Retirement System (SERS) of Ohio)	78
Schedule of District Pension Contributions (State Teachers Retirement System (STRS) of Ohio)	80
Schedule of the District's Proportionate Share of the Net OPEB Liability (School Employees Retirement System (SERS) of Ohio)	82
Schedule of the District's Proportionate Share of the Net OPEB Liability/Asset (State Teachers Retirement System (STRS) of Ohio)	84
Schedule of District OPEB Contributions (School Employees Retirement System (SERS) of Ohio)	86
Schedule of District OPEB Contributions (State Teachers Retirement System (STRS) of Ohio)	88
Notes to Required Supplementary Information	90
Schedule of Expenditures of Federal Awards	95
Notes to the Schedule of Expenditures of Federal Awards	96
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	99
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	101
Schedule of Findings	105

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

Ridgewood Local School District
Coshocton County
301 South Oak Street
West Lafayette, Ohio 43845

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 Ridgewood Local School District, Coshocton County, Ohio (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Ridgewood Local School District, Coshocton County, Ohio as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Schoolwide Building Program Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and Schedules of Net Pension and Other Post-Employment Benefit Liabilities and Assets and Pension and Other Post-Employment Benefit Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

March 7, 2024

This page intentionally left blank.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The management's discussion and analysis of the Ridgewood Local School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2023 are as follows:

- In total, net position of governmental activities increased \$426,535 from the June 30, 2022's net position.
- General revenues (primarily taxes and unrestricted grants and entitlements) accounted for \$13,099,117 in revenue or 76.10% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$4,112,891 or 23.90% of total revenues of \$17,212,008.
- The District had \$16,785,473 in expenses related to governmental activities; \$4,112,891 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities of \$13,099,117 were adequate to provide for these programs.
- The District's major governmental funds are the general fund and the schoolwide building program fund. The general fund had \$13,892,219 in revenues and other financing sources and \$13,987,403 in expenditures and other financing uses. During fiscal year 2023 the general fund's fund balance decreased from \$6,593,912 to \$6,498,728.
- The schoolwide building program fund had revenues and other financing sources of \$2,694,950 and expenditures of \$2,681,820. During fiscal year 2023, the schoolwide building program fund's fund deficit decreased from (\$425,446) to (\$412,316).

Using these Basic Financial Statements

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

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

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2023?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

The District's statement of net position and statement of activities can be found on pages 17-18 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 13. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and schoolwide building program fund.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets than can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 19-24 of this report.

Proprietary Funds

The District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for dental self-insurance. The basic proprietary fund financial statements can be found on pages 25-27 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 29-71 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability/asset. The required supplementary information can be found on pages 74 through 94 of this report.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The statement of net position provides the perspective of the District as a whole. The table on the following page provides a summary of the District's net position at June 30, 2023 and 2022.

Net Position

	Governmental Activities <u>2023</u>	Governmental Activities <u>2022</u>
<u>Assets</u>		
Current and other assets	\$ 15,061,400	\$ 14,067,797
Capital assets, net	<u>13,545,801</u>	<u>13,552,921</u>
Total assets	<u>28,607,201</u>	<u>27,620,718</u>
<u>Deferred outflows of resources</u>		
Pension	3,382,344	3,560,919
OPEB	374,816	483,879
Deferred charges	<u>6,876</u>	<u>8,145</u>
Total deferred outflows of resources	<u>3,764,036</u>	<u>4,052,943</u>
<u>Liabilities</u>		
Current liabilities	2,268,701	1,734,491
Long-term liabilities:		
Due within one year	340,804	540,745
Due in more than one year:		
Net pension liability	13,552,748	8,423,598
Net OPEB liability	746,519	1,116,033
Other amounts	<u>2,153,579</u>	<u>2,161,880</u>
Long-term liabilities	<u>16,793,650</u>	<u>12,242,256</u>
Total liabilities	<u>19,062,351</u>	<u>13,976,747</u>
<u>Deferred inflows of resources</u>		
Property taxes levied for the next fiscal year	3,533,527	3,314,397
Pension	1,810,261	7,008,168
OPEB	<u>2,061,141</u>	<u>1,896,927</u>
Total deferred inflows of resources	<u>7,404,929</u>	<u>12,219,492</u>
<u>Net position</u>		
Net investment in capital assets	12,674,872	12,580,037
Restricted	1,499,684	1,250,747
Unrestricted (deficit)	<u>(8,270,599)</u>	<u>(8,353,362)</u>
Total net position	<u>\$ 5,903,957</u>	<u>\$ 5,477,422</u>

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

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

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

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

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

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2023, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,903,957.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

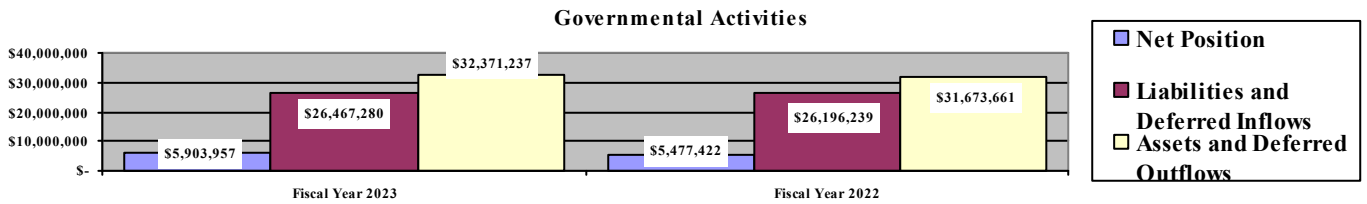
Total assets include a net OPEB asset reported by STRS. See Note 14 for more detail.

At year-end, capital assets represented 47.35% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, and intangible right to use assets. The net investment in capital assets at June 30, 2023 was \$12,674,872. These capital assets are used to provide services to the students and are not available for future spending. Although the District’s investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

The net pension liability increased \$5,129,150 or 60.89% and deferred inflows of resources related to pension decreased \$5,197,907 or 74.17%. These changes were the result of changes at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS). Primarily, net investment income on investments at both pension systems were negative for the fiscal year 2022 measurement date that are used for the fiscal year 2023 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous fiscal year’s large positive investment returns.

A portion of the District’s net position, \$1,499,684, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$8,270,599.

The graph below presents the District’s governmental activities assets and deferred outflows, liabilities and deferred inflows, and net position at June 30, 2023 and 2022.



**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The table below shows the change in net position for fiscal years 2023 and 2022.

Change in Net Position

	Governmental Activities <u>2023</u>	Governmental Activities <u>2022</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 638,834	\$ 423,832
Operating grants and contributions	3,174,057	4,922,349
Capital grants and contributions	300,000	-
General revenues:		
Property taxes	4,314,991	3,713,018
Grants and entitlements	8,656,264	8,673,229
Investment earnings	112,274	(48,017)
Other	<u>15,588</u>	<u>6,323</u>
Total revenues	<u>17,212,008</u>	<u>17,690,734</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	7,005,295	5,989,840
Special	2,088,803	1,769,023
Vocational	444,380	362,577
Other	12,749	41,027
Support services:		
Pupil	773,852	672,764
Instructional staff	479,802	409,484
Board of education	32,350	55,992
Administration	999,544	945,421
Fiscal	519,409	469,353
Business	14,891	29,516
Operations and maintenance	1,790,363	1,540,998
Pupil transportation	1,104,902	829,301
Central	3,867	6,796
Operation of non-instructional services:		
Food service operations	785,105	673,263
Other non-instructional services	5,839	17,907
Extracurricular activities	695,860	569,170
Interest and fiscal charges	<u>28,462</u>	<u>31,013</u>
Total expenses	<u>16,785,473</u>	<u>14,413,445</u>
Change in net position	426,535	3,277,289
Net position at beginning of year	<u>5,477,422</u>	<u>2,200,133</u>
Net position at end of year	<u>\$ 5,903,957</u>	<u>\$ 5,477,422</u>

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Governmental Activities

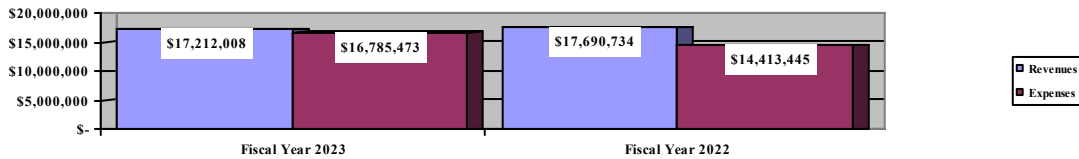
Net position of the District’s governmental activities increased \$426,535. Total governmental expenses of \$16,785,473 were offset by program revenues of \$4,112,891 and general revenues of \$13,099,117. Program revenues supported 24.50% of the total governmental expenses.

Overall, expenses of the governmental activities increased \$2,372,028 or 16.46%. This increase is primarily the result of an increase in pension expense. Pension expense increase approximately \$1,374,867. This increase was the result of an increase in expenses incurred at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS) due to a decrease in net investment income on investments compared to previous years.

Revenues decreased \$478,726 or 2.71%. The most significant decreases were in the areas operating grants and contributions and grants and entitlements. Operating grants and contributions decreased due to less money received from the federal government. Investment earnings increased due to more favorable interest rates on investments and as the District increased contributions to investments.

The graph below presents the District’s governmental activities revenue and expenses for fiscal year 2023 and 2022.

Governmental Activities - Revenues and Expenses



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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCKTON COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

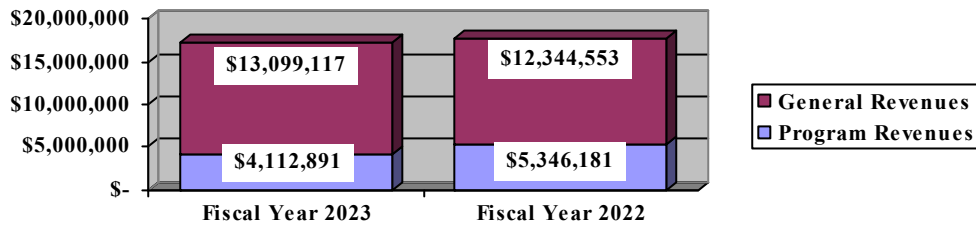
Governmental Activities

	Total Cost of Services <u>2023</u>	Net Cost of Services <u>2023</u>	Total Cost of Services <u>2022</u>	Net Cost of Services <u>2022</u>
Program expenses				
Instruction:				
Regular	\$ 7,005,295	\$ 6,278,268	\$ 5,989,840	\$ 4,965,676
Special	2,088,803	997,764	1,769,023	767,574
Vocational	444,380	340,454	362,577	278,777
Other	12,749	12,749	41,027	(26,026)
Support services:				
Pupil	773,852	539,413	672,764	443,784
Instructional staff	479,802	346,707	409,484	271,591
Board of education	32,350	32,350	55,992	55,992
Administration	999,544	973,126	945,421	895,308
Fiscal	519,409	519,409	469,353	469,353
Business	14,891	14,891	29,516	29,516
Operations and maintenance	1,790,363	1,117,463	1,540,998	7,077
Pupil transportation	1,104,902	1,079,231	829,301	801,988
Central	3,867	3,867	6,796	6,796
Operation of non-instructional services:				
Food service operations	785,105	(16,572)	673,263	(234,551)
Other non-instructional services	5,839	-	17,907	10,849
Extracurricular activities	695,860	405,000	569,170	292,547
Interest and fiscal charges	28,462	28,462	31,013	31,013
Total expenses	\$ 16,785,473	\$ 12,672,582	\$ 14,413,445	\$ 9,067,264

The dependence upon tax and other general revenues for governmental activities is apparent. For all governmental activities, general revenue support is 75.50%. The District's taxpayers and unrestricted grants and entitlements from the State are by far the primary support for the District's students.

The graph below presents the District's governmental activities revenue for fiscal year 2023 and 2022.

Governmental Activities - General and Program Revenues



**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The District's Funds

The District's governmental funds reported a combined fund balance of \$7,408,025 which is more than last year's total of \$7,400,310. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2023 and 2022.

	Fund Balance (Deficit) <u>June 30, 2023</u>	Fund Balance (Deficit) <u>June 30, 2022</u>	<u>Change</u>	Percentage <u>Change</u>
General	\$ 6,498,728	\$ 6,593,912	\$ (95,184)	(1.44) %
Schoolwide building program	(412,316)	(425,446)	13,130	3.09 %
Nonmajor governmental	<u>1,321,613</u>	<u>1,231,844</u>	<u>89,769</u>	7.29 %
Total	<u>\$ 7,408,025</u>	<u>\$ 7,400,310</u>	<u>\$ 7,715</u>	0.10 %

General Fund

The District's general fund balance decreased \$95,184. The following table assists in illustrating the financial activities and change in fund balance of the general fund.

	<u>2023 Amount</u>	<u>2022 Amount</u>	<u>Change</u>	Percentage <u>Change</u>
<u>Revenues</u>				
Property taxes	\$ 3,907,314	\$ 3,380,156	\$ 527,158	15.60 %
Tuition	134,085	111,933	22,152	19.79 %
Earnings on investments	106,733	(46,692)	153,425	328.59 %
Intergovernmental	9,618,182	9,549,112	69,070	0.72 %
Other revenues	<u>66,935</u>	<u>59,054</u>	<u>7,881</u>	13.35 %
Total	<u>\$ 13,833,249</u>	<u>\$ 13,053,563</u>	<u>\$ 779,686</u>	5.97 %
<u>Expenditures</u>				
Instruction	\$ 5,784,027	\$ 5,346,520	\$ 437,507	8.18 %
Support services	5,228,972	4,485,758	743,214	16.57 %
Non-instructional services	-	12,907	(12,907)	(100.00) %
Extracurricular activities	459,233	392,109	67,124	17.12 %
Capital outlay	58,970	100,000	(41,030)	(41.03) %
Debt service	<u>136,400</u>	<u>177,554</u>	<u>(41,154)</u>	(23.18) %
Total	<u>\$ 11,667,602</u>	<u>\$ 10,514,848</u>	<u>\$ 1,152,754</u>	10.96 %

Revenues of the general fund increased \$779,686 or 5.97%. The increase in property taxes is due to better than expected property tax collections. Earnings on investment increased due to more favorable interest rates on investments and as the District increased contributions to investments.

Expenditures increased \$1,152,754 or 10.96%. The increase is primarily due to increases in instruction and support services, this increase was due to movement of expenditures within funds.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Schoolwide Building Program Fund

The schoolwide building program fund is a major fund for the District and is used to accumulate resources for upgrading the overall instructional programs of the District's elementary school. This fund had revenues and other financing sources of \$2,694,950 and expenditures of \$2,681,820. During fiscal year 2023 the schoolwide building program fund's fund deficit decreased from (\$425,446) to (\$412,316).

General Fund Budgeting Highlights

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

For the general fund, original budgeted revenues of \$13,275,784 was \$551,493 less than the final budgeted revenues of \$13,827,277. Actual revenues and other financing sources for fiscal year 2023 were \$13,858,386, which represents an increase of \$31,109 over the final budgeted amount. Most of this variance is a result of the District's conservative budgeting for State Foundation revenues.

General fund original appropriations were \$14,201,308 which was equal to the final budgeted expenditures of \$14,201,308. The actual expenditures and other financing uses were \$14,061,645 which was \$139,663 less than final budgeted expenditures and other financing uses.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2023, the District had \$13,545,801 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, and intangible right to use assets. This entire amount is reported in governmental activities. The following table shows June 30, 2023 balances compared to June 30, 2022:

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

	Governmental Activities	
	2023	2022
Land	\$ 481,671	\$ 481,671
Construction in progress	198,232	-
Land improvements	864,388	492,410
Building and improvements	10,888,563	11,494,273
Furniture and equipment	381,719	396,469
Vehicles	679,808	671,287
Intangible right to use assets - leases	39,302	16,811
Intangible right to use assets - SBITAs	12,118	-
Total	\$ 13,545,801	\$ 13,552,921

Additions to capital assets in fiscal year 2023 were \$892,618. The District recognized \$870,756 in depreciation/amortization expense and disposals, net of accumulated depreciation of (\$28,982) during the fiscal year. See Note 8 in the notes to the basic financial statements for additional information on the District's capital assets.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Debt Administration

At June 30, 2023, the District had \$1,052,898 in general obligation bonds, energy conservation bond, notes payable – finance purchase, leases payable, and SBITAs payable. Of this total, \$214,870 is due within one year and \$838,028 is due in greater than one year.

The following table summarizes the debt outstanding.

Outstanding Debt, at Year End

	Governmental Activities <u>2023</u>	Governmental Activities <u>2022</u>
General obligation bonds	\$ 505,201	\$ 842,953
Notes payable - finance purchase	495,794	566,624
Leases payable	40,095	1,260
SBITAs payable	<u>11,808</u>	<u>-</u>
Total	<u>\$ 1,052,898</u>	<u>\$ 1,410,837</u>

See Note 10 in the notes to the basic financial statements for additional information on the District's debt administration.

Current Financial Related Activities

Ridgewood Local School District has continued to maintain the highest standards of service to its students, parents, and community. Financially, the District continues to operate in a fiscally responsible manner. The financial future of the District is not without its challenges. The Board of Education and administration must continue to closely monitor its revenues and expenditures in accordance with its five-year forecast.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Jay Tingle, Treasurer, Ridgewood Local School District, 301 S. Oak Street, West Lafayette, Ohio 43845.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCKTON COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 9,722,705
Receivables:	
Property taxes	3,893,404
Accounts	24,879
Accrued interest	16,382
Intergovernmental	126,720
Prepayments	12,070
Materials and supplies inventory	5,409
Inventory held for resale	8,412
Net OPEB asset	1,251,419
Capital assets:	
Nondepreciable capital assets	679,903
Depreciable capital assets, net	12,865,898
Capital assets, net	13,545,801
Total assets	28,607,201
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	6,876
Pension	3,382,344
OPEB	374,816
Total deferred outflows of resources	3,764,036
Liabilities:	
Accounts payable	136,148
Contracts payable	198,232
Accrued wages and benefits payable	1,535,020
Intergovernmental payable	109,694
Pension and postemployment benefits payable	236,408
Accrued interest payable	3,912
Unearned revenue	43,752
Claims payable	5,535
Long-term liabilities:	
Due within one year	340,804
Due in more than one year:	
Net pension liability	13,552,748
Net OPEB liability	746,519
Other amounts due in more than one year	2,153,579
Total liabilities	19,062,351
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	3,533,527
Pension	1,810,261
OPEB	2,061,141
Total deferred inflows of resources	7,404,929
Net position:	
Net investment in capital assets	12,674,872
Restricted for:	
Capital projects	27,957
OPEB	292,084
Classroom facilities maintenance	201,314
Debt service	180,808
State funded programs	27,660
Federally funded programs	266,441
Food service operations	332,219
Extracurricular programs	133,913
Other purposes	37,288
Unrestricted (deficit)	(8,270,599)
Total net position	\$ 5,903,957

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Expenses	Charges for Services and Sales	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental activities:					
Instruction:					
Regular	\$ 7,005,295	\$ 134,858	\$ 592,169	\$ -	\$ (6,278,268)
Special	2,088,803	9,981	1,081,058	-	(997,764)
Vocational	444,380	-	103,926	-	(340,454)
Other	12,749	-	-	-	(12,749)
Support services:					
Pupil	773,852	-	234,439	-	(539,413)
Instructional staff	479,802	-	133,095	-	(346,707)
Board of education	32,350	-	-	-	(32,350)
Administration	999,544	2,244	24,174	-	(973,126)
Fiscal	519,409	-	-	-	(519,409)
Business	14,891	-	-	-	(14,891)
Operations and maintenance	1,790,363	-	372,900	300,000	(1,117,463)
Pupil transportation	1,104,902	-	25,671	-	(1,079,231)
Central	3,867	-	-	-	(3,867)
Operation of non-instructional services:					
Food service operations	785,105	201,891	599,786	-	16,572
Other non-instructional services	5,839	-	5,839	-	-
Extracurricular activities	695,860	289,860	1,000	-	(405,000)
Interest and fiscal charges	28,462	-	-	-	(28,462)
Totals	\$ 16,785,473	\$ 638,834	\$ 3,174,057	\$ 300,000	(12,672,582)
 General revenues:					
Property taxes levied for:					
General purposes					3,913,447
Debt service					133,371
Capital projects					249,224
Classroom facilities maintenance					18,949
Grants and entitlements not restricted to specific programs					8,656,264
Investment earnings					112,274
Miscellaneous					15,588
Total general revenues					13,099,117
Change in net position					426,535
Net position at beginning of year					5,477,422
Net position at end of year					\$ 5,903,957

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCKTON COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	<u>General</u>	<u>Schoolwide Building Program</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 7,529,481	\$ 28,686	\$ 1,695,630	\$ 9,253,797
Receivables:				
Property taxes	3,528,828	-	364,576	3,893,404
Accounts	22,471	-	2,408	24,879
Accrued interest	16,382	-	-	16,382
Intergovernmental	-	-	126,720	126,720
Prepayments	12,070	-	-	12,070
Materials and supplies inventory	-	-	5,409	5,409
Inventory held for resale	-	-	8,412	8,412
Total assets	<u>\$ 11,109,232</u>	<u>\$ 28,686</u>	<u>\$ 2,203,155</u>	<u>\$ 13,341,073</u>
Liabilities:				
Accounts payable	\$ 89,592	\$ 9,968	\$ 36,483	\$ 136,043
Contracts payable	-	-	198,232	198,232
Accrued wages and benefits payable	995,929	379,539	159,552	1,535,020
Intergovernmental payable	103,219	4,314	2,161	109,694
Pension and postemployment benefits payable	170,453	47,181	18,774	236,408
Unearned revenue	-	-	43,752	43,752
Total liabilities	<u>1,359,193</u>	<u>441,002</u>	<u>458,954</u>	<u>2,259,149</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	3,201,180	-	332,347	3,533,527
Delinquent property tax revenue not available	42,581	-	4,272	46,853
Intergovernmental revenue not available	-	-	85,969	85,969
Accrued interest not available	7,550	-	-	7,550
Total deferred inflows of resources	<u>3,251,311</u>	<u>-</u>	<u>422,588</u>	<u>3,673,899</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	5,409	5,409
Prepays	12,070	-	-	12,070
Unclaimed monies	2,198	-	-	2,198
Restricted:				
Debt service	-	-	180,997	180,997
Capital projects	-	-	27,957	27,957
Classroom facilities maintenance	-	-	201,314	201,314
Food service operations	-	-	349,001	349,001
State funded programs	-	-	27,661	27,661
Federally funded programs	-	-	266,441	266,441
Extracurricular	-	-	133,913	133,913
Other purposes	-	-	35,090	35,090
Committed:				
Capital projects	-	-	179,574	179,574
Termination benefits	785,136	-	-	785,136
Assigned:				
Student instruction	12,434	-	-	12,434
Student and staff support	303,884	-	-	303,884
Extracurricular activities	333	-	-	333
Subsequent year's appropriations	784,988	-	-	784,988
Unassigned (deficit)	<u>4,597,685</u>	<u>(412,316)</u>	<u>(85,744)</u>	<u>4,099,625</u>
Total fund balances (deficit)	<u>6,498,728</u>	<u>(412,316)</u>	<u>1,321,613</u>	<u>7,408,025</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 11,109,232</u>	<u>\$ 28,686</u>	<u>\$ 2,203,155</u>	<u>\$ 13,341,073</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023

Total governmental fund balances		\$ 7,408,025
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		13,545,801
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 46,853	
Accrued interest receivable	7,550	
Intergovernmental receivable	85,969	
Total		140,372
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		463,268
Unamortized premiums on bonds issued are not recognized in the funds.		(14,693)
Unamortized amounts on refundings are not recognized in the funds.		6,876
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(3,912)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows - pension	3,382,344	
Deferred inflows - pension	(1,810,261)	
Net pension liability	(13,552,748)	
Deferred outflows - OPEB	374,816	
Deferred inflows - OPEB	(2,061,141)	
Net OPEB asset	1,251,419	
Net OPEB liability	(746,519)	
Total		(13,162,090)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(505,201)	
Notes payable - finance purchase	(495,794)	
Leases payable	(40,095)	
SBITAs payable	(11,808)	
Compensated absences	(1,426,792)	
Total		(2,479,690)
Net position of governmental activities		\$ 5,903,957

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>General</u>	<u>Schoolwide Building Program</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 3,907,314	\$ -	\$ 401,400	\$ 4,308,714
Intergovernmental	9,618,182	375,149	2,090,960	12,084,291
Investment earnings	106,733	-	4,227	110,960
Tuition and fees	134,085	-	-	134,085
Extracurricular	52,732	-	237,128	289,860
Rental income	9,100	-	-	9,100
Charges for services	1,654	-	201,891	203,545
Contributions and donations	2,244	-	38,983	41,227
Miscellaneous	1,205	-	-	1,205
Total revenues	<u>13,833,249</u>	<u>375,149</u>	<u>2,974,589</u>	<u>17,182,987</u>
Expenditures:				
Current:				
Instruction:				
Regular	4,438,617	1,591,187	368,013	6,397,817
Special	912,649	899,090	287,034	2,098,773
Vocational	419,974	-	24,344	444,318
Other	12,787	-	-	12,787
Support services:				
Pupil	719,421	-	58,749	778,170
Instructional staff	327,219	18,733	135,173	481,125
Board of education	24,585	-	-	24,585
Administration	828,559	172,810	-	1,001,369
Fiscal	526,874	-	11,060	537,934
Business	14,891	-	-	14,891
Operations and maintenance	1,599,953	-	628,120	2,228,073
Pupil transportation	1,183,603	-	8,071	1,191,674
Central	3,867	-	-	3,867
Operation of non-instructional services:				
Food service operations	-	-	790,363	790,363
Other non-instructional services	-	-	5,839	5,839
Extracurricular activities	459,233	-	256,536	715,769
Facilities acquisition and construction	11,808	-	-	11,808
Capital outlay	47,162	-	-	47,162
Debt service:				
Principal retirement	110,195	-	306,714	416,909
Interest and fiscal charges	26,205	-	4,804	31,009
Total expenditures	<u>11,667,602</u>	<u>2,681,820</u>	<u>2,884,820</u>	<u>17,234,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,165,647</u>	<u>(2,306,671)</u>	<u>89,769</u>	<u>(51,255)</u>
Other financing sources (uses):				
Transfers in	-	2,319,801	-	2,319,801
Transfers (out)	(2,319,801)	-	-	(2,319,801)
Lease transaction	47,162	-	-	47,162
SBITA transaction	11,808	-	-	11,808
Total other financing sources (uses)	<u>(2,260,831)</u>	<u>2,319,801</u>	<u>-</u>	<u>58,970</u>
Net change in fund balances	(95,184)	13,130	89,769	7,715
Fund balances (deficit) at beginning of year	<u>6,593,912</u>	<u>(425,446)</u>	<u>1,231,844</u>	<u>7,400,310</u>
Fund balances (deficit) at end of year	<u>\$ 6,498,728</u>	<u>\$ (412,316)</u>	<u>\$ 1,321,613</u>	<u>\$ 7,408,025</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON 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, 2023

Net change in fund balances - total governmental funds	\$	7,715
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.		
Capital asset additions	\$ 892,618	
Current year depreciation/amortization	<u>(870,756)</u>	
Total		21,862
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(28,982)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	6,277	
Earnings on investments	5,541	
Intergovernmental	<u>17,203</u>	
Total		29,021
Repayment of bond, leases payable, and finance purchase principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		416,909
Issuance of leases and SBITAs payable are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		
		(58,970)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Change in accrued interest payable	1,103	
Amortization of bond premiums	2,713	
Amortization of deferred charges	<u>(1,269)</u>	
Total		2,547
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,235,086	
OPEB	<u>35,815</u>	
Total		1,270,901
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(1,344,904)	
OPEB	<u>274,668</u>	
Total		(1,070,236)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(152,410)
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>(11,822)</u>
Change in net position of governmental activities	\$	<u>426,535</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCKTON COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 13,275,784	\$ 13,827,277	\$ 3,846,805	\$ (9,980,472)
Intergovernmental	-	-	9,619,214	9,619,214
Investment earnings	-	-	97,068	97,068
Tuition and fees	-	-	132,656	132,656
Rental income	-	-	9,100	9,100
Charges for services	-	-	1,654	1,654
Miscellaneous	-	-	990	990
Total revenues	<u>13,275,784</u>	<u>13,827,277</u>	<u>13,707,487</u>	<u>(119,790)</u>
Expenditures:				
Current:				
Instruction:				
Regular	14,201,308	14,005,640	4,407,514	9,598,126
Special	-	778	854,390	(853,612)
Vocational	-	2,695	430,384	(427,689)
Other	-	-	12,787	(12,787)
Support services:				
Pupil	-	-	654,093	(654,093)
Instructional staff	-	292	325,206	(324,914)
Board of education	-	5,000	24,609	(19,609)
Administration	-	1,170	820,217	(819,047)
Fiscal	-	70	516,569	(516,499)
Business	-	-	21,153	(21,153)
Operations and maintenance	-	135,663	1,786,500	(1,650,837)
Pupil transportation	-	50,000	1,196,969	(1,146,969)
Central	-	-	3,867	(3,867)
Extracurricular activities	-	-	401,660	(401,660)
Debt service:				
Principal	-	-	94,534	(94,534)
Interest and fiscal charges	-	-	16,392	(16,392)
Total expenditures	<u>14,201,308</u>	<u>14,201,308</u>	<u>11,566,844</u>	<u>2,634,464</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(925,524)</u>	<u>(374,031)</u>	<u>2,140,643</u>	<u>2,514,674</u>
Other financing sources (uses):				
Refund of prior year's expenditures	-	-	33,272	33,272
Transfers (out)	-	-	(2,494,801)	(2,494,801)
Advances in	-	-	117,627	117,627
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,343,902)</u>	<u>(2,343,902)</u>
Net change in fund balance	(925,524)	(374,031)	(203,259)	170,772
Fund balance at beginning of year	6,418,072	6,418,072	6,418,072	-
Prior year encumbrances appropriated	201,308	201,308	201,308	-
Fund balance at end of year	<u>\$ 5,693,856</u>	<u>\$ 6,245,349</u>	<u>\$ 6,416,121</u>	<u>\$ 170,772</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOOLWIDE BUILDING PROGRAM FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Instruction:				
Regular	\$ 2,744,000	\$ 2,744,000	\$ 1,578,847	\$ 1,165,153
Special	-	-	889,176	(889,176)
Support services:				
Instructional staff	-	-	18,481	(18,481)
Administration	-	-	187,950	(187,950)
Total expenditures	<u>2,744,000</u>	<u>2,744,000</u>	<u>2,674,454</u>	<u>69,546</u>
Excess of expenditures over revenues	<u>(2,744,000)</u>	<u>(2,744,000)</u>	<u>(2,674,454)</u>	<u>69,546</u>
Other financing sources:				
Transfers in	<u>2,744,308</u>	<u>2,744,308</u>	<u>2,694,951</u>	<u>(49,357)</u>
Total other financing sources	<u>2,744,308</u>	<u>2,744,308</u>	<u>2,694,951</u>	<u>(49,357)</u>
Net change in fund balance	308	308	20,497	20,189
Fund balance at beginning of year	<u>8,189</u>	<u>8,189</u>	<u>8,189</u>	<u>-</u>
Fund balance at end of year	<u>\$ 8,497</u>	<u>\$ 8,497</u>	<u>\$ 28,686</u>	<u>\$ 20,189</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

	<u>Governmental Activities - Internal Service Fund</u>
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 468,908
Total assets	<u>468,908</u>
Liabilities:	
Current liabilities:	
Accounts payable	105
Claims payable	<u>5,535</u>
Total liabilities	<u>5,640</u>
Net position:	
Unrestricted	<u>463,268</u>
Total net position	<u>\$ 463,268</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Governmental Activities - Internal Service Fund
Operating revenues:	
Sales/charges for services	\$ 81,219
Total operating revenues	81,219
Operating expenses:	
Purchased services	1,369
Claims	91,672
Total operating expenses	93,041
Change in net position	(11,822)
Net position at beginning of year	475,090
Net position at end of year	\$ 463,268

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCKTON COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Governmental Activities - Internal Service Fund
Cash flows from operating activities:	
Cash received from interfund services provided	\$ 81,219
Cash payments for purchased services	(1,264)
Cash payments for claims	(93,664)
Net cash used in operating activities	(13,709)
 Net change in cash and cash equivalents	 (13,709)
 Cash and cash equivalents at beginning of year	 482,617
Cash and cash equivalents at end of year	\$ 468,908
 Reconciliation of operating loss to net cash used in operating activities:	
 Operating loss	 \$ (11,822)
 Changes in assets and liabilities:	
Accounts payable	105
Claims payable	(1,992)
 Net cash used in operating activities	 \$ (13,709)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

THIS PAGE IS INTENTIONALLY LEFT BLANK

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

Ridgewood Local School District (the "District") was established for the purposes of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is a local school district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by State statute and/or Federal guidelines. It is staffed by 73 non-certified employees and 84 certified personnel who provide services to 1,322 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

The following organizations are described due to their relationship to the District:

JOINTLY GOVERNED ORGANIZATIONS

Ohio Mid-Eastern Regional Education Service Agency Information Technology Center Regional Council of Governments (OME-RESA)

OME-RESA is a computer service organization whose primary function is to provide information technology services to its member districts with the major emphasis being placed on accounting, payroll and inventory control services. Other areas of service provided by OME-RESA include pupil scheduling, attendance and grade reporting, career guidance services, special education records and test scoring.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

OME-RESA is one of 18 regional service organizations serving over 600 public districts in the State of Ohio that make up the Ohio Education Computer Network (OECN). These service organizations are known as Data Acquisition Sites. The OECN is a collective group of Data Acquisition Sites, authorized pursuant to Section 3301.075 of the Ohio Revised Code, and their member districts. Such sites, in conjunction with the Ohio Department of Education (ODE), comprise a statewide delivery system to provide comprehensive, cost-efficient accounting and other administrative and instructional computer services for participating Ohio districts.

Major funding for this network is derived from the State of Ohio. In addition, a majority of the software utilized by the OME-RESA is developed by the ODE.

OME-RESA is owned and operated by 43 member districts in 11 different Ohio counties. The member districts are comprised of public districts and educational service centers. Each member district pays an annual fee for services provided by OME-RESA. OME-RESA is governed by a Board of Directors, which is selected by the member districts. Each member district has one vote in all matters and each member district's control over budgeting and financing of OME-RESA is limited to its voting authority and any representation it may have on the Board of Directors. During fiscal year 2023, \$71,959 was paid to OME-RESA by the District for various services.

OME-RESA is located at 2230 Sunset Blvd., Steubenville, Ohio 43952. The Jefferson County Educational Service Center is one of OME-RESA's member districts, and acts in the capacity of fiscal agent for OME-RESA.

Coshocton County Career Center

The Coshocton County Career Center (the "Career Center") is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating school district's elected Boards, which possesses its own budgeting and taxing authority. The Board controls the financial activity of the Career Center. The Career Center receives no direct funding from the member school districts. The continued existence of the Career Center is not dependent on the Ridgewood Local School District's continued participation. During fiscal year 2023, the District did not pay the Career Center for various services.

Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (Coalition) is a jointly governed organization including numerous school districts in Ohio. The Coalition is operated by a Board which is composed of no more than nineteen members, not including ex-officio members. The board members are comprised of the Dean of the College of Education and two additional members from Ohio University appointed by the Dean, one elected member from each of the eight multi-county regions, and eight additional members appointed by each of the elected members, one from each multi-county region. Elected and appointed members, other than those representing Ohio University, must be active school superintendents from a member school district. The Coalition provides various in-service for school district administrative personnel; gathers data regarding conditions of education in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The Board exercises total control over the operations of the Coalition including budgeting, appropriating, contracting, and designating management. Each participant's control is limited to its representation on the Board. During fiscal year 2023, \$5,415 was paid to the Coalition for membership and advocacy services.

PUBLIC ENTITY RISK POOL

Ohio Association of School Business Officials Worker's Compensation Group

The District participates in the Ohio Association of School Business Officials (OASBO) Workers' Compensation Group Rating Plan (GRP). The GRP is sponsored by OASBO and administered by Sheakley UniService, Inc. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The District pays a fee to the GRP to cover the costs of administering the program.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

B. Fund Accounting

The 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. There are three categories of funds: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

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

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

Schoolwide building program fund - This fund allows for the pooling of Federal, State and local funds to be used to upgrade the overall instructional program of a school building where at least 40 percent of children are from low-income families.

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

PROPRIETARY FUNDS

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

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

C. Basis of Presentation and Measurement Focus

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

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

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

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

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

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

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds. During fiscal year 2023, the District had no custodial activity; therefore, no statements are presented.

D. Basis of Accounting

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6).

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

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

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the fiscal year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than custodial funds, are legally required to be budgeted and appropriated. 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 of Education's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control set by the Board. The legal level of control has been established by the Board of Education at the fund level. The District Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund. Although the legal level of control was established at the fund level of expenditures, the District has elected to present the budgetary statement comparisons for the general fund, elementary and secondary school emergency relief fund and schoolwide building program fund at the fund and function level of expenditures.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final certificate of estimated resources issued during fiscal year 2023.

The amounts reported as 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 fiscal year 2023.

F. Cash and Investments

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

During fiscal year 2023, investments consisted of Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Agricultural Mortgage Corp (FAMC) securities, Private Equity Fund Corporation (PEFCO) securities, negotiable certificates of deposit, U.S. Treasury Notes, U.S. Government money market mutual fund, and a municipal bond from Cuyahoga County, Ohio. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as certificates of deposit, are reported at cost.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during fiscal year 2023 amounted to \$106,733 which includes \$28,853 assigned from other funds.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

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

G. Inventory

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

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

H. Capital Assets

General capital 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 fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

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

Description	Governmental Activities <u>Estimated Lives</u>
Land improvements	20 years
Buildings and improvements	5 to 50 years
Furniture and equipment	5 to 20 years
SBITA assets	5 years
Intangible leased assets	5 years
Vehicles	8 years

The District is reporting intangible right to use assets related to leased equipment and Subscription Based Information Technology Arrangements (SBITAs). The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease/subscription term or the useful life of the underlying asset.

I. Compensated Absences

GASB Statement No. 16, “Accounting for Compensated Absences”, specifies the method used to accrue liabilities for leave benefits. Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

The total liability for vacation and sick leave has been calculated using pay rates in effect at June 30, 2023 and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For 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.

J. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/payable". These amounts are eliminated in the governmental activities column on the statement of net position. At June 30, 2023, there were no interfund loans outstanding.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the internal service fund are reported on the proprietary fund 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 and judgments, compensated absences, net pension liability and net OPEB liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. 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 benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

L. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

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

In addition to the previous fund balance constraints, the District has a general fund budget stabilization arrangement that does not meet the criteria to be classified as restricted or committed. Pursuant to Ohio Revised Code Section 5705.13, the District established a budget stabilization by resolution to accumulate currently available resources to stabilize budgets against cyclical changes in revenues and expenditures. The budget stabilization reserve is only an insulator against short-term economic changes and, because of the limitations imposed by the Ohio Revised Code, it could not reasonably protect an entity from long-term economic factors. The balance in the reserve at June 30, 2023 is \$230,005.

M. Net Position

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

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

N. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepayments in both 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 amounts is recorded at the time of the purchase and the expenditure/expense is reported in the fiscal year in which services are consumed.

O. Estimates

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

P. Interfund Activity

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

Q. Pensions/Other Postemployment Benefits (OPEB)

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

R. Bond Issuance Costs/Unamortized Bond Premium and Discount/Deferred Loss or Gain on Debt Refunding

On government-wide and fund financial statements, bond issuance costs are expensed in the year they occur.

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

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

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District did not have any extraordinary or special items during fiscal year 2023.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

T. Fair Value

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2023, the District has implemented GASB Statement No. 91, "Conduit Debt Obligations", GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements", GASB Statement No. 96, "Subscription Based Information Technology Arrangements", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "Omnibus 2022".

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the District.

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the District.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. These changes were incorporated in the District's 2023 financial statements. See Notes 8 and 10 for more details.

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

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCKTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

B. Deficit Fund Balances

Fund balances at June 30, 2023 included the following individual fund deficits:

<u>Major fund:</u>	<u>Deficit</u>
Schoolwide Building Program	\$ 412,316
 <u>Nonmajor funds:</u>	
Elementary and Secondary School Emergency Relief (ESSER)	57,540
IDEA, Part B	28,204

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

Interim deposits are deposits of interim monies. Interim moneys 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 or by savings or deposit accounts including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

6. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

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

A. Deposits with Financial Institutions

At June 30, 2023, the carrying amount of all District deposits was \$6,385,892 and the bank balance of all District deposits was \$6,387,080. Of the bank balance \$1,715,762 was covered by the FDIC and \$4,671,318 was covered by the Ohio Pooled Collateral System.

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2023, the District had the following investments and maturities:

<u>Measurement/Investment type</u>	<u>Measurement Value</u>	<u>Investment Maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
<i>Fair value:</i>						
FAMC	\$ 99,071	\$ -	\$ -	\$ -	\$ 49,280	\$ 49,791
FFCB	493,760	49,428	71,674	-	140,185	232,473
FHLB	971,894	49,802	212,100	49,556	97,732	562,704
FHLMC	187,763	54,322	-	-	-	133,441
FNMA	68,114	-	-	-	-	68,114
PEFCO	24,491	-	-	-	-	24,491
Municipal Bond	45,376	-	-	-	-	45,376
Negotiable CDs	359,784	59,577	-	141,795	-	158,412
U.S. Government MM	18,641	18,641	-	-	-	-
U.S. Treasury Note	1,067,919	182,511	-	98,202	47,484	739,722
Total	\$ 3,336,813	\$ 414,281	\$ 283,774	\$ 289,553	\$ 334,681	\$ 2,014,524

The weighted average maturity of investments is 2.48 years.

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

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

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

Credit Risk: The District's investments in federal agency securities and U.S. Treasury Notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The municipal bonds (Cuyahoga, Ohio) were rated AA by Standard & Poor's. The District's investment in U.S. Government money market funds was rated AAAM by Standard & Poor's. The District's investment in PEFCO was rated AA+ by Fitch's. The District has no policy that would further limit its investment choices.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2023:

<u>Measurement/Investment type</u>	<u>Measurement Value</u>	<u>% of total</u>
<i>Fair value:</i>		
FAMC	\$ 99,071	2.97
FFCB	493,760	14.80
FHLB	971,894	29.13
FHLMC	187,763	5.63
FNMA	68,114	2.04
PEFCO	24,491	0.73
Municipal Bond	45,376	1.36
Negotiable CDs	359,784	10.78
U.S. Government MM	18,641	0.56
U.S. Treasury Note	<u>1,067,919</u>	<u>32.00</u>
Total	<u>\$ 3,336,813</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2023:

Cash and investments per note

Carrying amount of deposits	\$ 6,385,892
Investments	<u>3,336,813</u>
Total	<u>\$ 9,722,705</u>

Cash and investments per statement of net position

Governmental activities	<u>\$ 9,722,705</u>
-------------------------	---------------------

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the fiscal year ended June 30, 2023, consisted of the following, as reported on the fund statements:

	<u>Amount</u>
<u>Transfers from general fund to:</u>	
Schoolwide Building Program	\$ 2,319,801
Total	\$ 2,319,801

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed values as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Public utility real and personal property taxes received in calendar year 2023 became a lien on December 31, 2021, were levied after April 1, 2022, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Coshocton, Guernsey and Tuscarawas Counties. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available as an advance at June 30, 2023 was \$285,067 in the general fund and \$27,957 in the permanent improvement (a nonmajor governmental fund). This amount is recorded as revenue. The amount available as an advance at June 30, 2022 was \$224,558 in the general fund, \$12,507 in the bond retirement fund (a nonmajor governmental fund) and \$3,141 in the classroom facilities maintenance fund (a nonmajor governmental fund) and \$8,454 in the permanent improvement (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2023 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflow of resources.

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 6 - PROPERTY TAXES - (Continued)

The assessed values upon which the fiscal year 2023 taxes were collected are:

	2022 Second Half Collections		2023 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 182,139,130	90.48	\$ 182,493,130	90.00
Public utility personal	<u>19,170,520</u>	<u>9.52</u>	<u>20,273,600</u>	<u>10.00</u>
Total	<u>\$ 201,309,650</u>	<u>100.00</u>	<u>\$ 202,766,730</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 33.96		\$ 31.30	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2023 consisted of property taxes, accounts (billings for user charged services and student fees), accrued interest, 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. Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

A summary of the items of receivables reported on the statement of net position follows:

<u>Governmental activities:</u>	
Property taxes	\$ 3,893,404
Accounts	24,879
Accrued interest	16,382
Intergovernmental	<u>126,720</u>
Total	<u>\$ 4,061,385</u>

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2023</u>
Governmental activities:				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 481,671	\$ -	\$ -	\$ 481,671
Construction in progress	<u>-</u>	<u>198,232</u>	<u>-</u>	<u>198,232</u>
Total capital assets, not being depreciated/amortized	<u>481,671</u>	<u>198,232</u>	<u>-</u>	<u>679,903</u>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	2,681,171	385,265	-	3,066,436
Building and improvements	23,483,236	74,884	-	23,558,120
Furniture and equipment	2,408,645	71,212	(98,716)	2,381,141
Vehicles	1,566,798	100,716	(164,321)	1,503,193
Intangible right to use:				
Leased equipment	72,413	47,162	(72,413)	47,162
SBITAs	<u>-</u>	<u>15,147</u>	<u>-</u>	<u>15,147</u>
Total capital assets, being depreciated/amortized	<u>30,212,263</u>	<u>694,386</u>	<u>(335,450)</u>	<u>30,571,199</u>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(2,188,761)	(13,287)	-	(2,202,048)
Building and improvements	(11,988,963)	(680,594)	-	(12,669,557)
Furniture and equipment	(2,012,176)	(73,791)	86,545	(1,999,422)
Vehicles	(895,511)	(92,195)	164,321	(823,385)
Intangible right to use:				
Leased equipment	(55,602)	(7,860)	55,602	(7,860)
SBITAs	<u>-</u>	<u>(3,029)</u>	<u>-</u>	<u>(3,029)</u>
Total accumulated depreciation/amortization	<u>(17,141,013)</u>	<u>(870,756)</u>	<u>306,468</u>	<u>(17,705,301)</u>
Governmental activities capital assets, net	<u>\$ 13,552,921</u>	<u>\$ 21,862</u>	<u>\$ (28,982)</u>	<u>\$ 13,545,801</u>

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

<u>Instruction:</u>	
Regular	\$ 582,130
Vocational	833
<u>Support services:</u>	
Board of education	7,860
Administration	5,382
Fiscal	3,028
Operations and maintenance	174,730
Pupil transportation	96,406
Extracurricular activities	<u>387</u>
Total depreciation/amortization expense	<u>\$ 870,756</u>

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 9 - NOTES PAYABLE - FINANCE PURCHASE AGREEMENT

The District has entered into a notes payable - finance purchase agreement for the acquisition of an administrative building and a fieldhouse. At inception, the finance purchase was accounted for as an other financing source and an expenditure in the general fund. Finance purchase payments are shown as debt service expenditures in the general fund.

The general capital assets acquired by these finance purchases have been capitalized in the governmental activities on the statement of net position in the amount of \$933,000, which is equal to the present value of the future minimum finance purchase payments as of the date of their inception. Accumulated depreciation as of June 30, 2023 was \$245,892, leaving a current book value of \$687,108. A corresponding liability has been recorded in the governmental activities on the statement of net position. Principal payments made during fiscal year 2023 totaled \$70,830.

The following is a schedule of the future minimum finance purchase payments required under the notes payable – finance purchase and the present value of the future minimum finance purchase payments as of June 30, 2023.

<u>Fiscal Year</u>	<u>Payments</u>
2024	\$ 87,129
2025	87,610
2026	88,044
2027	87,480
2028	87,710
2029 - 2030	<u>110,090</u>
Total minimum finance purchase payments	548,063
Less: amount representing interest	<u>(52,269)</u>
Present value of minimum finance purchase payments	<u>\$ 495,794</u>

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10 - LONG-TERM OBLIGATIONS

A. During the fiscal year 2023, the following changes occurred in governmental activities long-term obligations:

	Balance June 30, 2022	Additions	Disposals	Balance June 30, 2023	Amounts Due Within One Year
Governmental activities:					
<i>General obligation bonds:</i>					
Refunded general obligations					
bonds 1.91% due 12/1/2024	\$ 405,000	\$ -	\$ (280,000)	\$ 125,000	\$ 65,000
Energy conservation refunding bonds					
Series 2021	437,953	-	(57,752)	380,201	65,749
Total general obligation bonds	842,953	-	(337,752)	505,201	130,749
<i>Other long-term obligations:</i>					
Compensated absences	1,274,382	289,134	(136,724)	1,426,792	125,934
Notes Payable - Finance Purchase	566,624	-	(70,830)	495,794	72,509
Leases Payable	1,260	47,162	(8,327)	40,095	8,877
SBITAs Payable	-	11,808	-	11,808	2,735
Net pension liability	8,423,598	5,129,150	-	13,552,748	-
Net OPEB liability	1,116,033	-	(369,514)	746,519	-
Total other obligations	11,381,897	5,477,254	(585,395)	16,273,756	210,055
Total governmental activities					
long-term liabilities	\$ 12,224,850	\$ 5,477,254	\$ (923,147)	16,778,957	\$ 340,804
Add: unamortized premium on refunding bonds				14,693	
Total on statement of net position				\$ 16,793,650	

Compensated Absences: Compensated absences will be paid from the fund from which the employee's salaries are paid, which, for the District, is primarily the general fund.

Notes Payable - Finance Purchase: Notes Payable - Finance Purchase will be paid from the general fund. See Note 9 for more detail.

Net Pension Liability - See Note 13 for detail on the District's net pension liability. The District pays obligation related to employee compensation from the fund benefitting from their service.

Net OPEB Liability/Asset - See Note 14 for detail on the District's net OPEB liability/asset. The District pays obligation related to employee compensation from the fund benefitting from their service.

Leases Payable: The District has entered into a lease agreement for the use of right to use equipment. Due to the implementation of GASB Statement No. 87, the District will report an intangible capital asset and corresponding liability for the future scheduled payments under the lease. The lease payments will be paid from the general fund.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The District has entered into a lease agreement for copier equipment at varying years and terms as follows:

<u>Lease</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Copier Equipment	2018	5	2023	Monthly
Copier Equipment	2022	5	2027	Monthly

The following is a schedule of future lease payments under the lease agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 8,877	\$ 1,803	\$ 10,680
2025	9,331	1,349	10,680
2026	9,808	872	10,680
2027	10,310	370	10,680
2028	<u>1,769</u>	<u>11</u>	<u>1,780</u>
Total	<u>\$ 40,095</u>	<u>\$ 4,405</u>	<u>\$ 44,500</u>

SBITA Payable - The District has entered into an agreement for the right to use subscription to software. Due to the implementation of GASB Statement No. 96, the District will report an intangible capital asset and corresponding liability for the future scheduled payments under the subscriptions. The subscription payments will be paid from the general fund.

The District has entered into an agreement for subscriptions at years and terms as follows:

<u>SBITA</u>	<u>Commencement Date</u>	<u>Years</u>	<u>End Date</u>	<u>Payment Method</u>
Ohio Schools Council Subscription	2022	5	2027	Annually

The following is a schedule of future lease payments under the agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,735	\$ 604	\$ 3,339
2025	2,875	464	3,339
2026	3,022	317	3,339
2027	<u>3,176</u>	<u>163</u>	<u>3,339</u>
Total	<u>\$ 11,808</u>	<u>\$ 1,548</u>	<u>\$ 13,356</u>

B. General Obligation Bonds

During fiscal year 2017, the District issued \$1,250,000 various purpose refunding bonds with an interest rate of 1.91% (maturing December 2024) to advance refund the 2007 current interest term bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds was \$125,000 at June 30, 2023. Payments on the bonds are paid from the bond retirement fund (a nonmajor governmental fund).

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The net carrying amount of the old debt exceeded the reacquisition price by \$1,615. This amount is being netted against the new debt. This advance refunding was undertaken to reduce total debt service payments by \$153,333 and resulted in an economic gain of \$85,457.

On June 8, 2021, the District issued energy conservation refunding bonds, series 2021, par value \$508,175 to refund the energy conservation bonds issued on August 23, 2013. The improvements from the original bonds are not capital in nature and are expensed as incurred in the financial statements. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The bonds carry an interest rate of 2.75% and have a final maturity date of December 1, 2028. Payment on the bonds are due each June 1 and December 1 and are paid from the general fund.

The net carrying amount of the old debt exceeded the reacquisition price by \$9,520. This amount is being netted against the new debt. This advance refunding was undertaken to reduce total debt service payments by \$24,245 and resulted in an economic gain of \$22,259.

The following is a summary of the District’s future annual principal and interest requirements to retire the general obligation bonds:

Fiscal Year Ended	Current Interest Bonds		
	Principal	Interest	Total
2024	\$ 130,749	\$ 10,136	\$ 140,885
2025	127,074	7,423	134,497
2026	68,363	5,301	73,664
2027	70,609	3,711	74,320
2028	71,811	2,080	73,891
2029	<u>36,595</u>	<u>421</u>	<u>37,016</u>
Total	<u>\$ 505,201</u>	<u>\$ 29,072</u>	<u>\$ 534,273</u>

C. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District’s legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District’s legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2023, are a voted debt margin of \$18,305,003 (including available funds of \$180,997) and an unvoted debt margin of \$202,767.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified, full-time administrators and non-bargaining unit employees earn 10 to 30 days of vacation per year, depending upon length of service and hours worked. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and principals do not earn vacation time. A maximum of twenty vacation days beyond the twelve month period may be carried over. Additional days may be carried over only with the approval of the superintendent.

Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave accumulation for a year is fifteen days. Payment is made of one-fourth of the total sick leave accumulation, up to a maximum payout for 62.5 days upon retirement for certified employees with at least 10 years of service or 60 days upon termination with 5 years of service for non-certified employees.

B. Life Insurance

The District provides life insurance and accidental death and dismemberment insurance to most employees. Life insurance is provided through American United Life. The premium for the employee term life insurance is paid by the District at a rate of .085 per \$1,000 of coverage.

NOTE 12 - RISK MANAGEMENT

A. Property, Fleet, and Liability Insurance

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2023, the District contracted with the Ohio School Plan for liability, fleet, property and inland marine insurance coverage. The deductible is \$1,000 to \$2,500 with the following coverage:

	<u>Coverage</u>
Buildings and Contents	\$ 56,290,154
Automobile Liability:	
(\$1,000 Deductible for Buses, \$250 to \$500 on Other Automobiles)	5,000,000
Uninsured Motorists	1,000,000
Crime Insurance	250,000
General Liability:	
Per Occurrence	5,000,000
Aggregate	7,000,000

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 12 - RISK MANAGEMENT - (Continued)

B. Workers' Compensation

The District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. Participants in the GRP are placed on tiers according to their loss history. Participants with low loss histories are rewarded with greater savings than participants with higher loss histories. Each participant pays its workers' compensation premium to the state based on the rate for its GRP tier rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. During the most recent open enrollment period, the district switched from the firm of CompManagement, Inc to PROMEDICA to provide administrative, cost control, assistance with safety programs, and actuarial services to the GRP.

C. Employee Group Medical/Surgical and Dental Insurance

In November 2013, the District became a member of the Ohio Benefits Cooperative (OBC), a consortium of political subdivisions throughout the state. The purpose of the OBC is to pool risk and collectively purchase health insurance. The OBC contracts with private companies who handle all claims and benefit processing and assume all risks. The District still operates a limited risk management program for dental benefits. Premiums for dental insurance are paid into the self insurance fund.

The District has established a self insurance fund to account for a limited risk management program for dental benefits and medical/surgical benefits prior to November 2013. Premiums are paid into the self insurance fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 2023, a total expense of \$91,672 was incurred in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$60,000. The liability for unpaid claims cost of \$5,535 reported in the fund at June 30, 2023 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling claims. Interfund premiums are based primarily upon the medical/surgical funds' claims experience and are reported as quasi-external interfund transactions.

Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Claims Incurred</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2023	\$ 7,527	\$ 91,672	\$ (93,664)	\$ 5,535
2022	5,463	90,649	(88,585)	7,527

NOTE 13 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability/Asset

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

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

Plan Description - School Employees Retirement System (SERS)

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Age and service requirements for retirement are as follows:

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

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

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost-of-living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0%. In 2022, the Board of Trustees approved a 2.5% cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2023.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the District is required to contribute 14.00% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10.00% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The District's contractually required contribution to SERS was \$313,638 for fiscal year 2023. Of this amount, \$42,224 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. 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 35 years of service credit and at least age 60.

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 of their member contributions and 9.53% of the 14% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS Ohio. The remaining 4.47% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

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

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2023 employer and employee contribution rate of 14% was equal to the statutory maximum rates. For fiscal year 2023, the full employer contribution was allocated to pension.

The District's contractually required contribution to STRS was \$921,448 for fiscal year 2023. Of this amount, \$158,368 is reported as pension and postemployment benefits payable.

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

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.057835400%	0.049191994%	
Proportion of the net pension liability current measurement date	<u>0.051933600%</u>	<u>0.048329800%</u>	
Change in proportionate share	<u>-0.005901800%</u>	<u>-0.000862194%</u>	
Proportionate share of the net pension liability	\$ 2,808,973	\$ 10,743,775	\$ 13,552,748
Pension expense	\$ 58,439	\$ 1,286,465	\$ 1,344,904

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 113,766	\$ 137,537	\$ 251,303
Net difference between projected and actual earnings on pension plan investments	-	373,862	373,862
Changes of assumptions	27,717	1,285,707	1,313,424
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	21,889	186,780	208,669
Contributions subsequent to the measurement date	<u>313,638</u>	<u>921,448</u>	<u>1,235,086</u>
Total deferred outflows of resources	<u>\$ 477,010</u>	<u>\$ 2,905,334</u>	<u>\$ 3,382,344</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 18,441	\$ 41,098	\$ 59,539
Net difference between projected and actual earnings on pension plan investments	98,021	-	98,021
Changes of assumptions	-	967,768	967,768
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>226,854</u>	<u>458,079</u>	<u>684,933</u>
Total deferred inflows of resources	<u>\$ 343,316</u>	<u>\$ 1,466,945</u>	<u>\$ 1,810,261</u>

\$1,235,086 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	\$ (81,651)	\$ (17,901)	\$ (99,552)
2025	(121,163)	(108,322)	(229,485)
2026	(140,023)	(446,428)	(586,451)
2027	162,893	1,089,592	1,252,485
Total	\$ (179,944)	\$ 516,941	\$ 336,997

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.

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.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	(0.45) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	8.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategy	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	<u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 4,134,674	\$ 2,808,973	\$ 1,692,088

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

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

	June 30, 2022	June 30, 2021
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.00%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%

For the June 30, 2022 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, post-retirement mortality rates are based on the RP-2014 Annuitant Mortality Tables with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Tables, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Tables with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described previously. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2022.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the net pension liability as of June 30, 2022, calculated using the current period discount rate assumption of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 16,229,933	\$ 10,743,775	\$ 6,104,184

Changes Between Measurement Date and Reporting Date - STRS approved a one-time 1.00% cost-of-living adjustment to eligible benefit recipients effective July 1, 2023. It is unknown what effect this change will have on the net pension liability.

NOTE 14 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

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

Plan Description - School Employees Retirement System (SERS)

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2023, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2023, this amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the District's surcharge obligation was \$35,815.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$35,815 for fiscal year 2023. Of this amount, \$35,815 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2023, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability/asset was measured as of June 30, 2022, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.058968800%	0.049191994%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.053170500%</u>	<u>0.048329800%</u>	
Change in proportionate share	<u>-0.005798300%</u>	<u>-0.000862194%</u>	
Proportionate share of the net OPEB liability	\$ 746,519	\$ -	\$ 746,519
Proportionate share of the net OPEB asset	\$ -	\$ (1,251,419)	\$ (1,251,419)
OPEB expense	\$ (55,095)	\$ (219,573)	\$ (274,668)

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 6,274	\$ 18,141	\$ 24,415
Net difference between projected and actual earnings on OPEB plan investments	3,884	21,783	25,667
Changes of assumptions	118,741	53,306	172,047
Difference between employer contributions and proportionate share of contributions/change in proportionate share	85,103	31,769	116,872
Contributions subsequent to the measurement date	<u>35,815</u>	<u>-</u>	<u>35,815</u>
Total deferred outflows of resources	<u>\$ 249,817</u>	<u>\$ 124,999</u>	<u>\$ 374,816</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 477,531	\$ 187,943	\$ 665,474
Changes of assumptions	306,450	887,379	1,193,829
Difference between employer contributions and proportionate share of contributions/change in proportionate share	<u>192,826</u>	<u>9,012</u>	<u>201,838</u>
Total deferred inflows of resources	<u>\$ 976,807</u>	<u>\$ 1,084,334</u>	<u>\$ 2,061,141</u>

\$35,815 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2024.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	\$ (154,238)	\$ (281,091)	\$ (435,329)
2025	(159,598)	(268,558)	(428,156)
2026	(147,967)	(133,060)	(281,027)
2027	(97,640)	(55,479)	(153,119)
2028	(70,537)	(73,214)	(143,751)
Thereafter	(132,825)	(147,933)	(280,758)
Total	\$ (762,805)	\$ (959,335)	\$ (1,722,140)

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.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Wage inflation:

Current measurement date	2.40%
Prior measurement date	2.40%

Future salary increases, including inflation:

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

Investment rate of return:

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

Municipal bond index rate:

Current measurement date	3.69%
Prior measurement date	1.92%

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

Current measurement date	4.08%
Prior measurement date	2.27%

Medical trend assumption:

Current measurement date	7.00 to 4.40%
Prior measurement date	
Medicare	5.125 to 4.400%
Pre-Medicare	6.750 to 4.400%

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Mortality among contingent survivors were based upon the PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and 122.5% for females. Active employees mortality rates were based upon the PUB-2010 General Amount Weighted Below Median Employee mortality table.

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 5-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 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 were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The 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.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	(0.45) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	8.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategy	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	<u>100.00 %</u>	

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2022, was 4.08%. The discount rate used to measure total OPEB liability prior to June 30, 2022, was 2.27%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022 and the June 30, 2021 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 3.69% at June 30, 2022 and 1.92% at June 30, 2021.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability, what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) and higher (5.08%) than the current discount rate (4.08%). Also shown is what the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate (7.00% decreasing to 4.40%).

	Current		
	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 927,188	\$ 746,519	\$ 600,670
	Current		
	1% Decrease	Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 575,700	\$ 746,519	\$ 969,637

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022 actuarial valuation, compared with June 30, 2021 actuarial valuation, are presented below:

	June 30, 2022		June 30, 2021	
	Initial	Ultimate	Initial	Ultimate
Inflation	2.50%		2.50%	
Projected salary increases	Varies by service from 2.50% to 8.50%		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.00%, net of investment expenses, including inflation		7.00%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discount rate of return	7.00%		7.00%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
Medical				
Pre-Medicare	7.50%	3.94%	5.00%	4.00%
Medicare	-68.78%	3.94%	-16.18%	4.00%
Prescription Drug				
Pre-Medicare	9.00%	3.94%	6.50%	4.00%
Medicare	-5.47%	3.94%	29.98%	4.00%

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

For the June 30, 2022 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, for healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Tables with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Tables with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

Assumption Changes Since the Prior Measurement Date - The discount rate remained unchanged at 7.00% for the June 30, 2022 valuation.

Benefit Term Changes Since the Prior Measurement Date - Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

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

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on health care fund investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2022.

Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2022, calculated using the current period discount rate assumption of 7.00%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
	District's proportionate share of the net OPEB asset	\$ 1,156,904	\$ 1,251,419

	1% Decrease	Current Trend Rate	1% Increase
	District's proportionate share of the net OPEB asset	\$ 1,298,026	\$ 1,251,419

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING

While 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 is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

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

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

The adjustments necessary to convert the results of operations for the fiscal year on the budget basis to the GAAP basis for the general fund and schoolwide building program fund are as follows:

Net Change in Fund Balance		
	<u>General fund</u>	<u>Schoolwide Building Program fund</u>
Budget basis	\$ (203,259)	\$ 20,497
Net adjustment for revenue accruals	69,142	375,149
Net adjustment for expenditure accruals	(316,926)	(7,366)
Net adjustment for other sources/uses	(91,929)	(375,150)
Funds budgeted elsewhere	159,430	-
Adjustment for encumbrances	288,358	-
GAAP basis	\$ (95,184)	\$ 13,130

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies fund, the public school support fund, the termination benefits fund and the unclaimed monies fund.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 16 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

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

C. Foundation Funding

Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. ODE adjustments for fiscal year 2023 have been finalized. The impact of the FTE adjustments did not have a material impact on the District's financial statements.

NOTE 17 - SET-ASIDES

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

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2022	\$ -
Current year set-aside requirement	276,001
Current year offsets	(26,005)
Prior year offset from bond proceeds	<u>(249,996)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2024	<u>\$ -</u>
Set-aside balance June 30, 2023	<u>\$ -</u>

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 18 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General	\$ 218,015
Nonmajor governmental	<u>484,149</u>
Total	<u>\$ 702,164</u>

NOTE 19 - COVID-19

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

THIS PAGE IS INTENTIONALLY LEFT BLANK

REQUIRED SUPPLEMENTARY INFORMATION

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST TEN FISCAL YEARS			
	2023	2022	2021	2020
District's proportion of the net pension liability	0.05193360%	0.05783540%	0.05580290%	0.05624850%
District's proportionate share of the net pension liability	\$ 2,808,973	\$ 2,133,959	\$ 3,690,921	\$ 3,365,446
District's covered payroll	\$ 1,866,157	\$ 1,787,764	\$ 1,911,764	\$ 1,924,037
District's proportionate share of the net pension liability as a percentage of its covered payroll	150.52%	119.36%	193.06%	174.92%
Plan fiduciary net position as a percentage of the total pension liability	75.82%	82.86%	68.55%	70.85%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.05571080%	0.05266300%	0.05673500%	0.05417590%	0.05231600%	0.05231600%
\$ 3,190,661	\$ 3,146,498	\$ 4,152,479	\$ 3,091,329	\$ 2,647,683	\$ 3,111,065
\$ 1,921,356	\$ 1,820,779	\$ 1,894,271	\$ 1,630,979	\$ 1,520,195	\$ 1,513,909
166.06%	172.81%	219.21%	189.54%	174.17%	205.50%
71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST TEN FISCAL YEARS			
	2023	2022	2021	2020
District's proportion of the net pension liability	0.048329800%	0.049191994%	0.05121298%	0.04917185%
District's proportionate share of the net pension liability	\$ 10,743,775	\$ 6,289,639	\$ 12,391,719	\$ 10,874,059
District's covered payroll	\$ 6,296,114	\$ 6,036,179	\$ 6,249,071	\$ 5,816,614
District's proportionate share of the net pension liability as a percentage of its covered payroll	170.64%	104.20%	198.30%	186.95%
Plan fiduciary net position as a percentage of the total pension liability	78.88%	87.78%	75.48%	77.40%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.04834277%	0.04608640%	0.04715493%	0.04538164%	0.04428400%	0.04428400%
\$ 10,629,490	\$ 10,947,923	\$ 15,784,176	\$ 12,542,158	\$ 10,771,401	\$ 12,830,823
\$ 5,541,343	\$ 5,121,579	\$ 5,002,036	\$ 4,807,129	\$ 4,524,600	\$ 4,418,908
191.82%	213.76%	315.56%	260.91%	238.06%	290.36%
77.31%	75.30%	66.80%	72.10%	74.70%	69.30%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 313,638	\$ 261,262	\$ 250,287	\$ 267,647
Contributions in relation to the contractually required contribution	<u>(313,638)</u>	<u>(261,262)</u>	<u>(250,287)</u>	<u>(267,647)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 2,240,271	\$ 1,866,157	\$ 1,787,764	\$ 1,911,764
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 259,745	\$ 259,383	\$ 254,909	\$ 265,198	\$ 214,963	\$ 210,699
<u>(259,745)</u>	<u>(259,383)</u>	<u>(254,909)</u>	<u>(265,198)</u>	<u>(214,963)</u>	<u>(210,699)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,924,037	\$ 1,921,356	\$ 1,820,779	\$ 1,894,271	\$ 1,630,979	\$ 1,520,195
13.50%	13.50%	14.00%	14.00%	13.18%	13.86%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 921,448	\$ 881,456	\$ 845,065	\$ 874,870
Contributions in relation to the contractually required contribution	<u>(921,448)</u>	<u>(881,456)</u>	<u>(845,065)</u>	<u>(874,870)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 6,581,771	\$ 6,296,114	\$ 6,036,179	\$ 6,249,071
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 814,326	\$ 775,788	\$ 717,021	\$ 700,285	\$ 672,998	\$ 588,198
<u>(814,326)</u>	<u>(775,788)</u>	<u>(717,021)</u>	<u>(700,285)</u>	<u>(672,998)</u>	<u>(588,198)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,816,614	\$ 5,541,343	\$ 5,121,579	\$ 5,002,036	\$ 4,807,129	\$ 4,524,600
14.00%	14.00%	14.00%	14.00%	14.00%	13.00%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
District's proportion of the net OPEB liability	0.05317050%	0.05896880%	0.05559740%	0.05736920%
District's proportionate share of the net OPEB liability	\$ 746,519	\$ 1,116,033	\$ 1,208,313	\$ 1,442,715
District's covered payroll	\$ 1,866,157	\$ 1,787,764	\$ 1,911,764	\$ 1,924,037
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	40.00%	62.43%	63.20%	74.98%
Plan fiduciary net position as a percentage of the total OPEB liability	30.34%	24.08%	18.17%	15.57%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.05661960%	0.05363590%	0.05746311%
\$ 1,570,781	\$ 1,439,447	\$ 1,637,911
\$ 1,921,356	\$ 1,820,779	\$ 1,894,271
81.75%	79.06%	86.47%
13.57%	12.46%	11.49%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
District's proportion of the net OPEB liability/asset	0.048329800%	0.049191994%	0.05121298%	0.04917185%
District's proportionate share of the net OPEB liability/(asset)	\$ (1,251,419)	\$ (1,037,173)	\$ (900,068)	\$ (814,404)
District's covered payroll	\$ 6,296,114	\$ 6,036,179	\$ 6,249,071	\$ 5,816,614
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	19.88%	17.18%	14.40%	14.00%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	230.73%	174.73%	182.10%	174.70%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.04834277%	0.04608640%	0.04715493%
\$ (776,819)	\$ 1,798,121	\$ 2,521,858
\$ 5,541,343	\$ 5,121,579	\$ 5,002,036
14.02%	35.11%	50.42%
176.00%	47.10%	37.33%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 35,815	\$ 35,071	\$ 34,802	\$ 24,795
Contributions in relation to the contractually required contribution	<u>(35,815)</u>	<u>(35,071)</u>	<u>(34,802)</u>	<u>(24,795)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 2,240,271	\$ 1,866,157	\$ 1,787,764	\$ 1,911,764
Contributions as a percentage of covered payroll	1.60%	1.88%	1.95%	1.30%

Note: The contributions as a percentage of covered payroll include the surcharge

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 43,351	\$ 40,644	\$ 30,135	\$ 28,941	\$ 40,120	\$ 28,442
<u>(43,351)</u>	<u>(40,644)</u>	<u>(30,135)</u>	<u>(28,941)</u>	<u>(40,120)</u>	<u>(28,442)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,924,037	\$ 1,921,356	\$ 1,820,779	\$ 1,894,271	\$ 1,630,979	\$ 1,520,195
2.25%	2.12%	1.66%	1.53%	2.46%	1.87%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
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>
District's covered payroll	\$ 6,581,771	\$ 6,296,114	\$ 6,036,179	\$ 6,249,071
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,066
-	-	-	-	-	(46,066)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,816,614	\$ 5,541,343	\$ 5,121,579	\$ 5,002,036	\$ 4,807,129	\$ 4,524,600
0.00%	0.00%	0.00%	0.00%	0.00%	1.00%

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(SEE ACCOUNTANT'S COMPILATION REPORT)

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2014.
- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.

(Continued)

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(SEE ACCOUNTANT'S COMPILATION REPORT)

PENSION (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2014.
- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022
- There were no changes in benefit terms from amounts previously reported for fiscal year 2023

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For fiscal year 2023, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the projected salary increases went from 12.50% at age 20 to 2.50% at age 65 to varies by service from 2.50% to 8.50% and (b) mortality tables changed from the RP-2014 Annuitant and RP-2014 Employee mortality tables to the PUB-2010 Teachers Healthy Annuitant mortality table.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

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

(Continued)

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(SEE ACCOUNTANT'S COMPILATION REPORT)

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO (CONTINUED)

Changes in assumptions :

- For fiscal year 2017, there were no changes in methods or assumptions used in the calculation of actuarial determined contributions
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.
- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%, and (c) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22% to 2.63%.
- For fiscal year 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table, (f) the discount rate decreased from 2.63% to 2.27% and (g) the municipal bond index rate decreased from 2.45% to 1.92%.
- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.

(Continued)

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(SEE ACCOUNTANT'S COMPILATION REPORT)

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

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

Changes in assumptions :

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

(Continued)

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSCHOCTON COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(SEE ACCOUNTANT'S COMPILATION REPORT)

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO (CONTINUED)

Changes in assumptions (continued):

- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to -6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from -6.69% initial - 4.00% ultimate down to -16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.
- For fiscal year 2023, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) projected salary increase went from 12.50% at age 20 to 2.50% at age 65 to varies by services from 2.50% to 8.50% and (b) health care cost trend rates were changed to the following: Pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from -16.18% initial - 4.00% ultimate to -68.78% initial - 3.94% ultimate; prescription drug Pre-Medicare from 6.50% initial -4.00% ultimate to 9.00% initial - 3.94% ultimate; Medicare from 29.98% initial - 4.00% ultimate to -5.47% initial - 3.94% ultimate and (c) mortality tables changes from the RP-2014 Annuitant and RP-2014 Disabled mortality tables to the PUB-2010 Teachers Healthy Annuitant mortality table, the PUB-2010 Teachers Employee Table and the PUB-2010 Teachers Disabled Annuitant Table.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal ALN Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>(Passed Through Ohio Department of Education and Workforce)</i>			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Program):			
National School Lunch Program (NSLP)	10.555	N/A	\$62,772
Cash Assistance:			
School Breakfast Program (SBP)	10.553	N/A	135,867
National School Lunch Program (NSLP)	10.555	N/A	478,968
COVID 19 National School Lunch Program (NSLP)	10.555	N/A	40,245
Total Child Nutrition Cluster			<u>717,852</u>
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	10.649	N/A	<u>628</u>
Total U.S. Department of Agriculture			<u>718,480</u>
<u>U.S. DEPARTMENT OF TREASURY</u>			
<i>(Passed through the Ohio Facilities Construction Commission)</i>			
COVID-19 State and Local Fiscal Recovery Funds	21.027	N/A	33,559
Total U.S. Department of Treasury			<u>33,559</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>(Passed Through Ohio Department of Education and Workforce)</i>			
Title I, Part A:			
Title I Grants to Local Educational Agencies	84.010	S010A210035	13,561
Title I Grants to Local Educational Agencies	84.010	S010A220035	312,043
Title I Expanding Opportunities for Each Child (EOEC)	84.010A	S010A220035	10,964
Total Title I, Part A			<u>336,568</u>
Special Education Cluster (IDEA):			
Special Education - Grants to States (IDEA, Part B)	84.027	H027A210111	41,984
Special Education - Grants to States (IDEA, Part B)	84.027	H027A220111	222,208
COVID-19 ARP Special Education - Grants to States (IDEA, Part B)	84.027X	H027X210111	64,541
Special Education - Preschool Grants (IDEA Preschool)	84.173	H173A220119	7,117
Total Special Education Cluster (IDEA)			<u>335,850</u>
Supporting Effective Instruction State Grants:			
Supporting Effective Instruction State Grants	84.367	S367A210034	2,156
Supporting Effective Instruction State Grants	84.367	S367A220034	48,231
Total Supporting Effective Instruction State Grants			<u>50,387</u>
Student Support and Academic Enrichment - Title IV-A	84.424	S424A220036	40,460
Education Stabilization Fund:			
COVID-19 ESSER II	84.425D	S425D210035	451,919
COVID-19 ARP - ESSER	84.425U	S425U210035	214,809
COVID-19 ARP - Homeless Round II	84.425W	S425W210036	5,839
Total Education Stabilization Fund			<u>672,567</u>
Total U.S. Department of Education			<u>1,435,832</u>
Total Expenditures of Federal Awards			<u><u>\$2,187,871</u></u>

The accompanying notes are an integral part of this schedule.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Ridgewood Local School District (the District's) under programs of the federal government for the year ended June 30, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCOTON COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2023
(Continued)**

NOTE F - TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education and Workforce’s consent, schools can transfer unobligated amounts to the subsequent fiscal year’s program. The District transferred the following amounts from 2023 to 2024 programs:

<u>Program Title</u>	<u>AL Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Educational Agencies	84.010	\$ 14,483
Title II-A Supporting Effective Instruction	84.367	\$ 1,551
Special Education	84.027	\$ 89,944
ARP ESSER	84.425U	\$ 410,496
ARP Homeless Round II	84.425W	\$ 4,073
ARP Homeless Targeted	84.425W	\$ 16,500

NOTE G - TRANSFERS BETWEEN FEDERAL PROGRAMS

Federal regulations set by the Elementary and Secondary Education Act (ESEA) / Every Student Succeeds Act (ESSA) allows eligible schools to combine Federal, State and Local Funds to upgrade the entire educational program of the school and to raise academic achievement for all students. Except for some or the specific requirements under the applicable Federal program, Federal funds that a school consolidates in the schoolwide program are not subject to most of the statutory or regulatory requirements of the program providing the funds of the schoolwide program meets the intent and the purpose of those programs.

For FY 2023, the District consolidated Title I and Title II-A federal grants into a schoolwide program. The following Title I and Title II-A receipts were transferred into the schoolwide program in FY 2023:

<u>Program Title</u>	<u>AL Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Education Agencies	84.010	\$324,763
Supporting Effective Instruction State Grants	84.367	\$50,387

This page intentionally left blank.

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

Ridgewood Local School District
Coshocton County
301 South Oak Street
West Lafayette, Ohio 43845

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 Ridgewood Local School District, Coshocton County, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 7, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio

March 7, 2024

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
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

Ridgewood Local School District
Coshocton County
301 South Oak Street
West Lafayette, Ohio 43845

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Ridgewood Local School District's, Coshocton County, (District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Ridgewood Local School District's major federal program for the year ended June 30, 2023. Ridgewood 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, Ridgewood 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, 2023.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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



Keith Faber
Auditor of State
Columbus, Ohio

March 7, 2024

This page intentionally left blank.

**RIDGEWOOD LOCAL SCHOOL DISTRICT
COSHOCTON COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Child Nutrition Cluster; AL #10.553 and 10.555
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	Low

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE KEITH FABER



RIDGEWOOD LOCAL SCHOOL DISTRICT

COSHOCTON 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 3/21/2024

88 East Broad 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