





**LAKE LOCAL SCHOOL DISTRICT  
WOOD COUNTY  
JUNE 30, 2024**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor’s Report .....	1
Prepared by Management:	
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position – Cash Basis .....	5
Statement of Activities – Cash Basis .....	6
Fund Financial Statements:	
Statement of Assets and Fund Balances – Cash Basis	
Governmental Funds .....	7
Statement of Receipts, Disbursements and Changes in Fund Balances – Cash Basis	
Governmental Funds .....	8
Statement of Receipts, Disbursements and Changes	
in Fund Balance – Budget (Non-GAAP) and Actual	
General Fund .....	9
Statement of Fiduciary Net Position – Cash Basis	
Fiduciary Funds .....	10
Statement of Changes in Fiduciary Net Position – Cash Basis	
Fiduciary Funds .....	11
Notes to the Financial Statements .....	12
Supplementary Information:	
Schedule of Expenditures of Federal Awards .....	51
Notes to the Schedule of Expenditures of Federal Awards .....	52
Independent Auditor’s Report on Internal Control Over	
Financial Reporting and on Compliance and Other Matters	
Required by <i>Government Auditing Standards</i> .....	53
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 .....	55
Schedule of Findings .....	59
Prepared by Management:	
Summary Schedule of Prior Audit Findings .....	61
Corrective Action Plan .....	62

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

Lake Local School District  
Wood County  
28090 Lemoyne Road  
Millbury, Ohio 43447-9747

To the Board of Education:

### Report on the Audit of the Financial Statements

#### **Opinions**

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in cash-basis financial position thereof and the budgetary comparison for the General fund for the year then ended in accordance with the cash-basis of accounting described in Note 2.

#### **Basis for Opinions**

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

#### **Emphasis of Matter - Accounting Basis**

Ohio Administrative Code § 117-2-03(B) requires the District to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible 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.

***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 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, this schedule 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 June 11, 2025, 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

June 11, 2025

**This page intentionally left blank.**



**Lake Local School District**  
**Wood County**  
*Statement of Net Position - Cash Basis*  
*June 30, 2024*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 16,527,050
<i>Total Assets</i>	16,527,050
<b>Net Position</b>	
Restricted for:	
Capital Projects	7,749,673
Debt Service	1,548,528
Other Purposes	1,613,678
Unrestricted	5,615,171
<i>Total Net Position</i>	\$ 16,527,050

See accompanying notes to the basic financial statements

**Lake Local School District**  
**Wood County**  
*Statement of Activities - Cash Basis*  
*For the Fiscal Year Ended June 30, 2024*

	Cash Disbursements	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Instruction:					
Regular	\$ 10,268,072	\$ 653,948	\$ 1,273,466	\$ -	\$ (8,340,658)
Special	3,527,841	-	769,918	-	(2,757,923)
Vocational	109,417	-	-	-	(109,417)
Other	113,557	-	-	-	(113,557)
Support Services:					
Pupil	725,453	-	-	-	(725,453)
Instructional Staff	828,038	-	24,306	-	(803,732)
Board of Education	201,587	-	-	-	(201,587)
Administration	1,426,739	-	-	-	(1,426,739)
Fiscal	584,866	-	-	-	(584,866)
Business	1,800	-	-	-	(1,800)
Operation and Maintenance of Plant	1,997,233	-	-	-	(1,997,233)
Pupil Transportation	1,141,136	60,754	-	-	(1,080,382)
Central	198,309	-	-	-	(198,309)
Operation of Non-Instructional	887	-	-	-	(887)
Food Service Operations	1,115,688	286,503	410,298	-	(418,887)
Facility Acquisition and Contruction	26,635,627	-	-	-	(26,635,627)
Extracurricular Activities	1,067,181	613,517	-	-	(453,664)
Capital Outlay	-	-	-	47,964	47,964
Debt Service:					
Principal Retirement	1,240,000	-	-	-	(1,240,000)
Interest and Fiscal Charges	1,440,900	-	-	-	(1,440,900)
<b>Total Governmental Activities</b>	<b>\$ 52,624,331</b>	<b>\$ 1,614,722</b>	<b>\$ 2,477,988</b>	<b>\$ 47,964</b>	<b>(48,483,657)</b>
<b>General Receipts</b>					
Property Taxes Levied for:					
					10,040,128
					1,794,377
					327,248
					8,089,334
					1,514,000
					924,830
					136,399
					<u>22,826,316</u>
					<i>Total General Receipts</i>
					22,826,316
					(25,657,341)
					<i>Change in Net Position</i>
					42,184,391
					<i>Net Position Beginning of Year</i>
					<u>\$ 16,527,050</u>
					<i>Net Position End of Year</i>

See accompanying notes to the basic financial statements

**Lake Local School District**  
**Wood County**  
*Statement of Assets and Fund Balances - Cash Basis*  
*Governmental Funds*  
*June 30, 2024*

	General	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 5,615,171	\$ 7,206,910	\$ 3,704,969	\$ 16,527,050
<i>Total Assets</i>	<u>5,615,171</u>	<u>7,206,910</u>	<u>3,704,969</u>	<u>16,527,050</u>
<b>Fund Balances</b>				
Restricted	-	7,206,910	3,713,666	10,920,576
Assigned	211,433	-	-	211,433
Unassigned	5,403,738	-	(8,697)	5,395,041
<i>Total Fund Balances</i>	<u>\$ 5,615,171</u>	<u>\$ 7,206,910</u>	<u>\$ 3,704,969</u>	<u>\$ 16,527,050</u>

See accompanying notes to the basic financial statements

**Lake Local School District  
Wood County**

*Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis  
Governmental Funds  
For the Fiscal Year Ended June 30, 2024*

	General	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 10,040,128	\$ -	\$ 2,121,625	\$ 12,161,753
Payments in Lieu of Taxes	1,514,000	-	-	1,514,000
Tuition	550,778	-	-	550,778
Transportation Fees	60,754	-	-	60,754
Earnings on Investments	924,830	-	10,360	935,190
Charges for Services - Food Service	-	-	286,503	286,503
Extracurricular Activities	170,145	-	391,639	561,784
Classroom Materials and Fees	79,167	-	-	79,167
Rental Income	970	-	-	970
Contributions and Donations	5,453	-	75,578	81,031
Contract Services	1,175	-	7,560	8,735
Other Local Revenue	134,299	-	2,100	136,399
Intergovernmental - State	8,089,334	-	331,265	8,420,599
Intergovernmental - Federal	157,121	-	2,012,206	2,169,327
<i>Total Cash Receipts</i>	<u>21,728,154</u>	<u>-</u>	<u>5,238,836</u>	<u>26,966,990</u>
<b>Cash Disbursements</b>				
Current:				
Instruction:				
Regular	9,924,502	11,475	332,095	10,268,072
Special	2,816,892	-	710,949	3,527,841
Vocational	109,417	-	-	109,417
Other	84,938	-	28,619	113,557
Support Services:				
Pupil	676,204	-	49,249	725,453
Instructional Staff	815,724	-	12,314	828,038
Board of Education	201,587	-	-	201,587
Administration	1,419,268	-	7,471	1,426,739
Fiscal	561,101	500	23,265	584,866
Business	1,800	-	-	1,800
Operation and Maintenance of Plant	1,960,833	-	36,400	1,997,233
Pupil Transportation	1,139,171	-	1,965	1,141,136
Central	198,124	-	185	198,309
Operation of Non-Instructional Services	-	-	887	887
Food Service Operations	-	-	1,115,688	1,115,688
Facility Acquisition and Contrustion	-	26,635,627	-	26,635,627
Extracurricular Activities	675,323	-	391,858	1,067,181
Debt Service:				
Principal Retirement	-	-	1,240,000	1,240,000
Interest and Fiscal Charges	-	-	1,440,900	1,440,900
<i>Total Cash Disbursements</i>	<u>20,584,884</u>	<u>26,647,602</u>	<u>5,391,845</u>	<u>52,624,331</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	1,143,270	(26,647,602)	(153,009)	(25,657,341)
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	16,211	16,211
Transfers Out	(16,211)	-	-	(16,211)
<i>Total Other Financing Sources (Uses)</i>	<u>(16,211)</u>	<u>-</u>	<u>16,211</u>	<u>-</u>
Change in Fund Balance	1,127,059	(26,647,602)	(136,798)	(25,657,341)
<i>Fund Balance, Beginning of Year</i>	<u>4,488,112</u>	<u>33,854,512</u>	<u>3,841,767</u>	<u>42,184,391</u>
<i>Fund Balance, End of Year</i>	<u>\$ 5,615,171</u>	<u>\$ 7,206,910</u>	<u>\$ 3,704,969</u>	<u>\$ 16,527,050</u>

See accompanying notes to the basic financial statements

**Lake Local School District**  
**Wood County**  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2024*

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
<b>Revenues</b>				
Property and Other Local Taxes	\$ 8,919,666	\$ 8,919,666	\$ 10,040,128	\$ 1,120,462
Payments in Lieu of Taxes	1,345,040	1,345,040	1,514,000	168,960
Tuition	474,072	474,072	550,778	76,706
Transportation Fees	52,293	52,293	60,754	8,461
Earnings on Investments	796,031	796,031	924,830	128,799
Extracurricular Activities	146,449	146,449	170,145	23,696
Classroom Materials and Fees	68,142	68,142	79,167	11,025
Rental Income	835	835	970	135
Contributions and Donations	4,694	4,694	5,453	759
Contract Services	1,011	1,011	1,175	164
Other Local Revenue	115,595	115,595	134,299	18,704
Intergovernmental - State	6,962,747	6,962,747	8,089,334	1,126,587
Intergovernmental - Federal	135,239	135,239	157,121	21,882
<i>Total Revenues</i>	<u>19,021,814</u>	<u>19,021,814</u>	<u>21,728,154</u>	<u>2,706,340</u>
<b>Disbursements</b>				
Current:				
Instruction:				
Regular	10,269,499	10,794,278	9,947,434	846,844
Special	2,474,048	2,474,090	2,817,305	(343,215)
Vocational	128,647	128,620	109,417	19,203
Other	156,219	156,219	84,938	71,281
Support Services:				
Pupils	596,440	602,699	682,593	(79,894)
Instructional Staff	647,294	622,175	824,874	(202,699)
Board of Education	235,750	240,120	206,028	34,092
Administration	1,413,415	1,413,621	1,424,221	(10,600)
Fiscal	583,760	588,168	565,850	22,318
Business	6,100	6,100	1,800	4,300
Operation and Maintenance of Plant	1,999,433	1,912,716	2,070,419	(157,703)
Pupil Transportation	1,158,194	1,228,016	1,209,201	18,815
Central	204,705	197,711	198,221	(510)
Extracurricular Activities	588,924	591,897	678,568	(86,671)
<i>Total Disbursements</i>	<u>20,462,428</u>	<u>20,956,430</u>	<u>20,820,869</u>	<u>135,561</u>
<i>Excess of Revenues Over (Under) Disbursements</i>	(1,440,614)	(1,934,616)	907,285	2,841,901
<b>Other Financing (Uses)</b>				
Transfers Out	(10,000)	(10,000)	(16,211)	(6,211)
<i>Total Other Financing (Uses)</i>	<u>(10,000)</u>	<u>(10,000)</u>	<u>(16,211)</u>	<u>(6,211)</u>
<i>Change in Fund Balance</i>	(1,450,614)	(1,944,616)	891,074	2,835,690
<i>Fund Balance, Beginning of Year</i>	<u>4,488,122</u>	<u>4,488,112</u>	<u>4,488,112</u>	<u>-</u>
<i>Fund Balance, End of Year</i>	<u>\$ 3,037,498</u>	<u>\$ 2,543,496</u>	<u>\$ 5,379,186</u>	<u>\$ 2,835,690</u>

**Lake Local School District**  
**Wood County**  
*Statement of Fiduciary Net Position - Cash Basis*  
*Fiduciary Funds*  
*June 30, 2024*

	Private Purpose Trust	Custodial
<b>Assets</b>		
Equity in pooled cash and cash equivalents	\$ 653,903	\$ 51,386
Total assets	653,903	51,386
<b>Net Position</b>		
Restricted for:		
Held in Trsut for Scholarships	653,903	-
Individuals, Organizations, and Other Governments	-	51,386
Total net position	\$ 653,903	\$ 51,386

See accompanying notes to the financial statements.

**Lake Local School District**  
**Wood County**  
*Statement of Changes in Fiduciary Net Position - Cash Basis*  
*Fiduciary Funds*  
*For the Fiscal Year Ended June 30, 2024*

	Private Purpose Trust	Custodial
<b>Additions</b>		
Earnings on Investments	\$ 8,780	\$ -
Extracurricular Activities	-	16,365
<i>Total Additions</i>	<u>8,780</u>	<u>16,365</u>
<b>Deductions</b>		
Extracurricular Activities	-	7,129
Payments in Accordance with Trust Agreements	28,700	-
<i>Total Deductions</i>	<u>28,700</u>	<u>7,129</u>
Change in Net Position	(19,920)	9,236
<i>Net Position, Beginning of Year</i>	<u>673,823</u>	<u>42,150</u>
<i>Net Position, End of Year</i>	<u>\$ 653,903</u>	<u>\$ 51,386</u>

See accompanying notes to the financial statements.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 1 – Description of the District**

The Lake Local School District, Wood County (the District), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by state statute and/or federal guidelines.

The District is located in a rural community in northwest Ohio. The District is staffed by 42 classified employees, 118 certified teaching personnel, and 11 administrative employees who provide services to 1,532 students and other community members.

***Primary Government***

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For Lake Local School District, this includes general operations, food service, and student related activities of the District. The Board has direct responsibility for these services.

***Jointly Governed Organizations and Public Entity Risk Pools***

The District is associated with seven organizations as follows: Northwest Ohio Computer Association (NWOCA), Northern Buckeye Education Council, Penta Career Center, and Ohio Schools Council, which are defined as jointly governed organizations; the Ohio Association of School Business Officials Group Rating Program, Wood County Schools Benefit Plan Association, and The Ohio School Plan, which are public entity risk pools. For more information on these entities, see Notes 14 and 15.

The District's management believes these financial statements present all activities for which the District is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

As discussed further in the "Basis of Accounting" section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the District's accounting policies.

***Basis of Presentation***

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



**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

***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. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. The District has no business-type activities.

The statement of net position presents the cash balance of the governmental activities of the District at fiscal year end. The statement of activities compares disbursements with program receipts for each of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the general receipts of the District.

***Fund Financial Statements***

During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

***Fund Accounting***

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented in two categories: governmental and fiduciary.

***Governmental Funds***

Governmental funds are those through which most governmental functions of the District are financed. The following are the District's major governmental funds:

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Building Fund*** This fund accounts for and reports financial resources that are restricted to expenditure for the construction of capital facilities and capital assets.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

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

***Fiduciary Funds*** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. The District has no pension trust funds or investment trust funds. Private Purpose Trust funds are used to account for individuals, private organizations or other governments and are not available to support the District's own programs. The District's private purpose trust fund accounts for programs that provide college scholarships to students after graduation. The School District's custodial fund is used to account for resources held on behalf of the Ohio High School Athletic Association.

***Basis of Accounting***

Although required by Ohio Administrative Code Section 117-03(B) to prepare its financial report in accordance with generally accepted accounting principles (GAAP), the District elects to prepare its financial statements and notes in accordance with the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

***Budgetary Process***

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate.

The appropriations resolution is Board's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board at the fund level for all funds. Budgetary allocations at the function and object level within all funds are made by the Treasurer.

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

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

***Cash and Investments***

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

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

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During the fiscal year of 2024, the School District invested in nonnegotiable certificates of deposit, commercial paper, federal agency securities, US Treasury Notes and Bills, money market funds, and STAR Ohio. Investments are reported at cost, except for the money market fund and STAR Ohio. The School District’s money market fund investments are recorded at amounts reported by Red Tree Investment Group at June 30, 2024.

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

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

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest receipts credited to the General Fund during fiscal year 2024 was \$924,830, which included \$623,473 assigned from other School District funds.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

***Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or by laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Restricted assets represent amounts set aside for bus purchase and budget stabilization.

***Inventory and Prepaid Items***

The District reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

***Capital Assets***

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

***Interfund Receivables/Payables***

The District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

***Accumulated Leave***

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

***Employer Contributions to Cost-Sharing Pension Plans***

The District recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid.

***Long-Term Obligations***

The School District's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset (including the intangible right to use) when entering into a lease, SBITA, or financed purchase transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments, SBITA payments, and financed purchase payments are reported when paid.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

***Net Position***

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for food service operations, music and athletic programs, and federal and state grants.

The District's policy is to first apply restricted resources when a disbursement is incurred for purposes for which both restricted and unrestricted resources are available.

***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 category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Education. Those committed amounts cannot be used for any other purpose unless the Board 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 or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board. The Board has authorized the Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The Board may also assign fund balances as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget in the general fund and for various educational and extracurricular activities and other miscellaneous purposes.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 2 – Summary of Significant Accounting Policies (continued)**

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

***Interfund Transactions***

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

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

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

***Pensions/Other Postemployment Benefits (OPEB)***

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

**Note 3 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is that outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed, or assigned fund balance (cash basis).

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the cash basis are as follows:

<b>Net Change in Fund Balance</b>	
Budget Basis	\$ 891,074
Encumbrances	235,985
Cash Basis	<u>\$ 1,127,059</u>

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 4 – Deposits and Investments**

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

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

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

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), 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.

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, or Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. 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 the settlement, bonds and other obligations of political subdivisions of the State of Ohio if training requirements have been met;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 4 – Deposits and Investments (Continued)**

7. 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; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

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

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian. At year end, the District had \$4,560 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents."

***Deposits***

At June 30, 2024 the carrying amount of the District's deposits was \$3,246,733 and the bank balance was \$4,054,640. Of the entire bank balance, \$250,000 was covered by the Federal Deposit Insurance Corporation (FDIC) while \$3,804,640 was covered by the Ohio Pooled Collateral System (OPCS).

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 market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS) a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2024, the District's financial institution was established at 102 percent. 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.

***Investments***

As of June 30, the District had the following investments:



**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 4 – Deposits and Investments (Continued)**

Measurement/ Investment	Measurement Amount	Less Than Six Months	Six Months to One Year	One Year to Two Years	More Than Two Years
<b>Cost:</b>					
Negotiable Certificates of Deposit	\$ 599,825	\$ 599,825	\$ -	\$ -	\$ -
<b>Fair Value:</b>					
Money Market Mutual Funds	\$ 1,110,306	\$ 1,110,306	\$ -	\$ -	\$ -
Commerical Paper	817,716	-	817,716	-	-
Federal Farm Credit Bank	647,767	99,848	-	99,746	448,173
Federal Home Loan Bank	865,670	666,348	99,322	100,000	-
United States Treasury Bills	998,407	998,407	-	-	-
United States Treasury Notes	596,095	169,363	167,463	-	259,269
<b>Net Asset Value Per Share:</b>					
STAR Ohio	8,345,260	8,345,260	-	-	-
Total Investments	<u>\$ 13,981,046</u>	<u>\$ 11,989,357</u>	<u>\$ 1,084,501</u>	<u>\$ 199,746</u>	<u>\$ 707,442</u>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the School District.

The Negotiable certificates of deposit are covered by FDIC or SIPC insurance. The Federal Farm Credit Bank Notes, Federal Home Loan Bank Notes, and United States Treasury Notes carry a rating of Aaa by Moody's and/or AA+ by Standard and Poor's. STAR Ohio carries a rating of AAAM by Standard and Poor's. The money market funds carry a rating of Aaa-mf by Moody's. The United States Treasury Bills and Commercial Paper carry a rating of P-1 by Moody's and/or A-1 or A-1+ by Standard and Poor's. The District has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

The District places no limit on the amount of interim monies it may invest in any one issuer. The following table indicates the percentage of investments to the District's total portfolio:

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 4 – Deposits and Investments (Continued)**

	Cost Value	Percentage of Portfolio
STAR Ohio	\$ 8,345,260	59.69%
Money Market Mutual Fund	1,110,306	7.94%
Negotiable Certificates of Deposit	599,825	4.29%
Commerical Paper	817,716	5.85%
Federal Home Loan	865,670	6.19%
Federal Farm Credit	647,767	4.63%
United States Treasury Bills	998,407	7.14%
United States Treasury Notes	596,095	4.26%
	<u>\$ 13,981,046</u>	<u>100%</u>

**Note 5 – Property Taxes**

Property taxes are levied and assessed on a calendar year basis, while the District’s fiscal year runs from July through June. First-half tax distributions are received by the District in the second half of the fiscal year. Second-half tax distributions are received in the first half of the following fiscal year. Property taxes include amounts levied against all real and public utility property located in the District.

Real property tax receipts received in calendar year 2024 represent the collection of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2023, on the assessed value as of January 1, 2023, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value.

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public Utility property tax revenue received in calendar year 2024 represents collections of calendar year 2023 taxes. Public utility real and tangible personal property taxes received in calendar year 2024 become a lien on December 31, 2022, were levied after April 1, 2023 and are collected with real property taxes. Public Utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

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

The full tax rate for all District operations for the fiscal year ended June 30, 2024, was \$64.19 per \$1,000 of assessed value for 2024 and \$64.65 for 2023. The assessed values of real property and public utility property upon which the fiscal year 2024 tax receipts were collected are as follows:

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 5 – Property Taxes (continued)**

	2024 1st Half Collections	Percent	2023 2nd Half Collections	Percent
Real Property				
Residential, agricultural, and other	\$ 327,874,230	89.61%	\$ 259,483,530	88.61%
Public utility	38,029,860	10.39%	33,365,580	11.39%
Total assessed value	\$ 365,904,090	100.00%	\$ 292,849,110	100.00%

**Note 6– Payment in Lieu of Taxes**

In accordance with agreements related to tax increment financing districts, Wood County has entered into agreements with a number of property owners under which the County has granted property tax exemptions to those property owners. The property owners have agreed to make payments to the County which reflect all or a portion of the property taxes which the property owners would have paid if the taxes had not been exempted. The agreements provide for a portion of this payment to be paid to the District. The property owners contractually promise to make these payments in lieu of taxes until the agreements expire. For 2024, the total amount of payments in lieu of taxes was \$1,514,000.

**Note 7 – Tax Abatements**

The School District’s property taxes were reduced as follows under enterprise zone agreements entered into by overlapping governments.

	Amount of Fiscal Year 2024 Taxes Abated
Overlapping Government Enterprise Zone Agreement Wood County	\$1,404,214

**Note 8 – Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains comprehensive insurance coverage through The Ohio School Plan, an insurance purchasing plan (see Note 15). During fiscal year 2024, the District contracted for the following insurance coverage:

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 8 – Risk Management (Continued)**

Property Damage	\$ 87,519,865
Educational Liability:	
General Aggregate	8,000,000
Each Occurrence	6,000,000
Automobile Liability	6,000,000
School Board Legal Liability	8,000,000
Employee Benefits:	
General Aggregate	8,000,000
Each Occurrence	6,000,000

There have been no significant reductions in insurance coverage from the previous fiscal year and settled claims, if any, have not exceeded coverage in any of the past three years.

Workers' compensation is provided through the Ohio Association of School Business Officials (OASBO) Workers' Compensation Group Rating Program (GRP). For further information, see Note 15.

The District is a member of a cooperative group of Wood County Schools Benefit Plan Association established to provide a self-insurance fund to pay medical/surgical, and prescription drug benefits of employees and their covered dependents. The medical insurance program operates under the control of a Board of Trustees representing the member school and is administered by Medical Mutual of Ohio. The plan provides a medical/surgical plan with a \$100 single and \$200 family deductible. The District also offers a Health Savings Account plan with deductible amounts of \$2,700 for single and \$5,000 for family. The plan also provides prescription drug care through the major medical portion of the plan. Dental care is provided through Medical Mutual of Ohio and vision insurance through Vision Service Plan. For further information regarding the insurance consortium, refer to Note 15.

**Note 9 – Defined Benefit Pension Plans**

***Net Pension Liability***

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

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

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

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

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

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

The net pension/net OPEB liability (asset) are not reported on the face of the financial statements, but rather are disclosed in the notes because of the use of the cash basis framework.

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

***School Employees Retirement System (SERS)***

Plan Description – School District non-teaching employees participate in SERS, a statewide, 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](http://www.ohsers.org) under Employers/Audit Resources.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – 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 Benefit	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

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

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

Beginning April 1, 2018, an individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. In 2023 the Retirement Board approved a 2.5 percent COLA for eligible retirees and beneficiaries in 2024.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2024, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District’s contractually required contribution to SERS was \$313,416 for fiscal year 2024.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

***State Teachers Retirement System (STRS)***

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

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

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility charges will be phased in until August 1, 2023 when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

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

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

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

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

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

The District’s contractually required contribution to STRS was \$1,354,809 for fiscal year 2024.

***Net Pension Liability***

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an independent actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the District’s share of contributions to the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share:

	SERS	STRS	Total
Proportion of the Net Pension Liability Prior Measurement Date	0.05732200%	0.06653785%	
Proportion of the Net Pension Liability Current Measurement Date	0.05642890%	0.07164675%	
Change in Proportionate Share	-0.00089310%	0.00510890%	
Proportionate Share of the Net Pension Liability	\$ 3,117,990	\$ 15,429,083	\$ 18,547,073

***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.



**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

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

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

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

Current Measurement date	30-Jun-23
Wage Inflation	2.4%
Future Salary Increases, including inflation	3.25% to 13.58%
COLA or Ad Hoc COLA	2.0%
Investment Rate of Return	7.0% net of investment expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Prior Measurement Date:	30-Jun-22
Wage Inflation	2.4%
Future Salary Increases, including inflation	3.25% to 13.58%
COLA or Ad Hoc COLA	2.0%, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.0% net of investment expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

In 2023, mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward two years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward five years and adjusted 103.3 percent for males and set forward three years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

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

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

The long-term return expectation for the investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US equity	24.75	4.82
Non-US Equity developed	13.50	5.19
Non -US Equity emerging	6.75	5.98
Fixed income/Global Bonds	19.00	2.24
Private equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private debt/private credit	5.00	5.64
Total	<u>100.00 %</u>	

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

**Discount Rate** The total pension liability for 2023 was calculated using the discount rate of 7.00 percent. The discount rate did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 21-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate of fiscal year 2023 was 14.00 percent. Projected inflows from investment earnings were calculated using the long term assumed investment rate of return, 7.00 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90 percent.

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 4,601,990	\$ 3,117,990	\$ 1,867,998

**Actuarial Assumptions - STRS**

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

	6/30/2023
Inflation	2.5%
Projected salary increases	From 2.5% to 8.5% based on service
Investment Rate of Return	7.0% net of investment expenses, including inflation
Cost-of-Living Adjustments (COLA)	0.0%
Payroll Increases	3%
Discount Rate of Return	7%
	6/30/2022
Inflation	2.5%
Projected salary increases	From 2.5% to 8.5% based on service
Investment Rate of Return	7.0% net of investment expenses, including inflation
Cost-of-Living Adjustments (COLA)	0.0%
Payroll Increases	3%
Discount Rate of Return	7%

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

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

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

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

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

<u>Asset Class</u>	<u>Target Allocation*</u>	<u>Long Term Expected Real Rate of Return**</u>
Domestic equity	26.00 %	6.60 %
International equity	22.00	6.80
Alternatives	19.00	7.38
Fixed income	22.00	1.75
Real estate	10.00	5.75
Liquidity reserves	<u>1.00</u>	1.00
Total	<u>100.00 %</u>	

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

\*\*10-Year annualized geometric

nominal returns, which include the real rate of return and inflation of 2.25

percent and is net of investment expenses. Over a 30-year period, STRS investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 9 – Defined Benefit Pension Plans (continued)**

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

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 23,726,515	\$ 15,429,083	\$ 8,411,726

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

**Social Security System**

Effective July, 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2024, all of the Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages paid.

**Note 10 - Postemployment Benefits**

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

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

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

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 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2.00 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.50 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2024, the District's surcharge obligation was \$6,710. The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required health care contribution to SERS was \$6,710 for fiscal year 2024.

***State Teachers Retirement System*** 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](http://www.strsoh.org) or by calling (888) 227-7877.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

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

***Net OPEB Liability (Asset)***

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

	SERS	STRS	Total
Proportion of the Net OPEB (Asset)/Liability			
Prior Measurement Date	0.05838580%	0.06653785%	
Proportion of the Net OPEB (Asset)/Liability			
Current Measurement Date	0.05776580%	0.07164675%	
Change in Proportionate Share	-0.00062000%	0.00510890%	
Proportionate Share of the Net OPEB (Asset)/Liability	\$ 951,660	\$ (1,393,430)	\$ (441,770)

***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.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

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

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

Inflation:	
Measurement Date	2.40%
Prior Measurement Date	2.40%
Future Salary Increases:	
Measurement Date:	3.25% - 13.58%
Prior Measurement Date:	3.25% - 13.58%
Investment Rate of Return	7.00% net of investment expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.69%
Prior Measurement Date	1.92%
Single Equivalent Interest Rate, net of plan investment expense, including price inflation:	
Measurement Date	4.08%
Prior Measurement Date	2.27%
Medical Trend Assumption:	
Measurement Date	7.00% - 4.40%
Prior Measurement Date	7.00% - 4.40%

In 2023, the following mortality assumptions were used:

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



**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

For 2022, mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates are 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 expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board 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 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US equity	24.75	4.82
Non-US Equity developed	13.50	5.19
Non -US Equity emerging	6.75	5.98
Fixed income/Global Bonds	19.00	2.24
Private equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private debt/private credit	5.00	5.64
Total	<u>100.00 %</u>	

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB liability	\$1,216,494	\$951,660	\$742,828
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB liability	\$699,152	\$951,660	\$1,286,268

**Actuarial Assumptions - STRS**

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected salary increases	Varies by service, from 2.50% - 8.50%	Varies by service, from 2.50% - 8.50%
Investment Rate of Return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Payroll Increases	3.00%	3.00%
Cost-of-Living Adjustments	0.00%	0.00%
Discount rate of return	7.00%	7.00%
Health Care Cost Trends:		
Medical		
Pre-Medicare	7.50% initial, 4.14% ultimate	7.50% initial, 3.94% ultimate
Medicare	-10.94% initial, 4.14% ultimate	-68.78% initial, 3.94% ultimate
Prescription Drug		
Pre-Medicare	-11.95% initial, 4.14% ultimate	9.00% initial, 3.94% ultimate
Medicare	1.33% initial, 4.14% ultimate	-5.47% initial, 3.94% ultimate

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

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

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

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

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

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

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

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

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

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 10 - Postemployment Benefits (continued)**

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	(\$1,179,356)	(\$1,393,430)	(\$1,579,866)
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	(\$1,588,517)	(\$1,393,430)	(\$1,158,451)

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

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

**Note 11 – Leases**

The District leases copiers from Perry ProTech. The District disbursed \$22,807 to pay lease costs for the copiers during the year ended June 30, 2024. The following is the schedule of future lease payments:

Year Ending		<u>Copier Lease</u>
June 30:		
2025	22,807	
2026	22,807	
2027	1,900	
Total		<u>\$47,514</u>

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

**Note 12 –Debt**

The District’s long-term debt activity for the year ended June 30, 2024 was as follows:

<b>Long-term Obligations</b>	Balance at 6/30/2023	Increase	Decrease	Balance at 6/30/2024	Due within one year
<b>2016 Refunding:</b>					
Serial Bonds 1.0-3.0%	\$ 1,465,000	\$ -	\$ (1,040,000)	\$ 425,000	\$ 425,000
Premium	94,503	-	(37,800)	56,703	-
<b>2022 Bonds</b>					
4% Term	26,265,000	-	-	26,265,000	
Serial 3-4%	9,635,000	-	(200,000)	9,435,000	235,000
Premium	2,806,135	-	(76,053)	2,730,082	
<b>Net Pension Liability</b>					
STRS	14,791,448	637,635	-	15,429,083	-
SERS	3,100,420	17,570	-	3,117,990	-
<b>Net OPEB Liability</b>					
SERS	819,743	131,917	-	951,660	-
<b>Total Long-term Obligations</b>	<b>\$ 58,977,249</b>	<b>\$ 787,122</b>	<b>\$ (1,353,853)</b>	<b>\$ 58,410,518</b>	<b>\$ 660,000</b>

***FY 2007 School Improvement Refunding Bonds***

On January 25, 2007, the District issued bonds in the amount of \$9,139,990 to partially refund bonds previously issued in 2001 for construction and renovation to the District’s middle school. The bond issue included serial, term and capital appreciation bonds in the amounts of \$7,380,000, \$1,185,000, and \$574,990 respectively. The bonds were issued at a premium of \$794,111. The bonds were issued for a nineteen year period with final maturity during fiscal year 2025. During October 2016, these bonds were refunded. As of June 30, 2024, \$425,000 of these bonds are outstanding.

***FY 2016 School Improvement Refunding Bonds***

On October 16, 2016, the District issued serial bonds in the amount of \$7,335,000 to refund bonds previously issued in 2007 for construction and renovation to the District’s middle school. The bonds were issued at a premium of \$351,736. The bonds were issued for a nine-year period with final maturity during fiscal year 2025.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 12 –Debt (continued)**

**FY 2022 General Obligation School Improvement Bonds**

On February 23, 2022, the District issued bonds in the amount of \$36,000,000 for the construction of a new elementary school. The bond issue included serial and term bonds in the amounts of \$9,735,000 and \$26,265,000, respectively. The bonds were issued at a premium of \$2,813,952. The bonds were issued for a thirty-seven year period with a final maturity during fiscal year 2058. The bonds are being retired from the Bond Retirement debt service fund from a voted tax levy. The term bonds maturing on December 1, 2046, December 1, 2051, and December 1, 2058 are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, on December 1 in the years and respective principal amounts as follows:

<u>2046 Term Bonds</u>		<u>2051 Term Bonds</u>		<u>2058 Term Bonds</u>	
Year Ending	<u>Principal</u>	Year Ending	<u>Principal</u>	Year Ending	<u>Principal</u>
June 30:		June 30:		June 30:	
2042	\$ 960,000	2047	\$ 1,255,000	2052	\$ 1,675,000
2043	1,005,000	2048	1,360,000	2053	1,750,000
2044	1,050,000	2049	1,420,000	2054	1,880,000
2045	1,145,000	2050	1,485,000	2055	1,960,000
2046	1,200,000	2051	1,600,000	2056	2,045,000
				2057	2,190,000
				2058	2,285,000
<b>Total</b>	<u><u>\$ 5,360,000</u></u>		<u><u>\$ 7,120,000</u></u>		<u><u>\$ 13,785,000</u></u>

The serial bonds maturing December 1, 2027, are subject to optional redemption, in whole or in part, in whole multiples of \$5,000, at the option of the District on any date on or after June 1, 2027, at the redemption price equal to 100% of the principal redeemed, plus accrued interest to the redemption date.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 12 –Debt (continued)**

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

June 30:							
2025	\$	425,000	\$	6,375	\$	235,000	\$ 1,403,850 \$ - \$ -
2026		-		-		260,000	1,393,950 - -
2027		-		-		275,000	1,383,250 - -
2028		-		-		330,000	1,371,150 - -
2029		-		-		350,000	1,357,550 - -
2030-2034		-		-		2,265,000	6,541,650 - -
2035-2039		-		-		3,225,000	6,040,725 - -
2040-2044		-		-		2,495,000	3,304,500 1,965,000 2,023,500
2045-2049		-		-		-	- 6,010,000 4,288,200
2050-2054		-		-		-	- 7,930,000 2,899,000
2055-2059		-		-		-	- 10,360,000 1,077,600
Total	\$	425,000	\$	6,375	\$	9,435,000	\$ 22,796,625 \$ 26,265,000 \$ 10,288,300

The 2022 bond issuance, together with the District's outstanding net indebtedness, made the total net indebtedness of the school district exceed 9% of the total assessed value of all property in the school district, as defined in Ohio Revised Code section 133.06. The Superintendent of Public Instruction, acting under policies adopted by the State Board of Education, has determined that the school district qualifies as a "Special Needs District" under Revised Code 133.06(E), which may exceed the 9% limit.



**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 13 - Fund Balances**

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

	General	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Restricted</b>				
Capital Projects	\$ -	\$ 7,206,910	\$ 542,763	\$ 7,749,673
Debt Service	-	-	1,548,528	1,548,528
Other Purposes	-	-	1,622,375	1,622,375
<b>Total Restricted</b>	<b>-</b>	<b>7,206,910</b>	<b>3,713,666</b>	<b>10,920,576</b>
<b>Assigned</b>				
Encumbrances	211,433	-	-	211,433
<b>Total Assigned</b>	<b>211,433</b>	<b>-</b>	<b>-</b>	<b>211,433</b>
<b>Unassigned</b>	<b>5,403,738</b>	<b>-</b>	<b>(8,697)</b>	<b>5,395,041</b>
<b>Total Fund Balances</b>	<b>\$ 5,615,171</b>	<b>\$ 7,206,910</b>	<b>\$ 3,704,969</b>	<b>\$ 16,527,050</b>

**Note 14 – Jointly Governed Organizations**

*Northwest Ohio Computer Association*

The District is a participant in the Northwest Ohio Computer Association (NWOCA) which is a computer consortium. NWOCA is an association of educational entities within the boundaries of Defiance, Fulton, Henry, Lucas, Williams and Wood counties in northwestern Ohio. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member educational entities.

The NWOCA Assembly consists of the superintendent from each participating educational entity and a representative from the fiscal agent. The Assembly elects the governing Council of two representatives from each of the six counties in which member educational entities are located and the representative from the member of educational entity serving as fiscal agent for NWOCA. The degree of control exercised by any participating educational entity is limited to its representation on the Board. During fiscal year 2024, the District paid \$153,959 to NWOCA for various services. Financial information can be obtained from the Northwest Ohio Computer Association, 209 Nolan Parkway, Archbold, Ohio 43502.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 14 – Jointly Governed Organizations (Continued)**

***Northern Buckeye Education Council***

The Northern Buckeye Education Council (NBEC) was established in 1979 to foster cooperation among educational entities located in Defiance, Fulton, Henry, Lucas, Williams and Wood counties. The NBEC is organized under Ohio laws as a regional council of governments pursuant to a written agreement entered into by its member entities and bylaws adopted by the representatives of the member educational entities. The NBEC is governed by an elected Board consisting of two representatives from each of the counties in which the member educational entities are located. The Board is elected from an Assembly consisting of a representative from each participating educational entity. Financial information can be obtained from the Northern Buckeye Educational Council, 209 Nolan Parkway, Archbold, Ohio 43502.

***Penta Career Center***

The Penta Career Center (PCC) is a distinct political subdivision of the State of Ohio which provides vocational education to students. The PCC is operated under the direction of a Board consisting of nine board members appointed from the participating school districts' or Educational Service Centers' elected boards. The Board consists of one representative from each exempted village and/or city school district: Bowling Green, Maumee, Perrysburg, and Rossford; one representative from each of these counties: Fulton, Ottawa, and Lucas; and two representatives from Wood County. The Board possesses its own budgeting and taxing authority. Financial information can be obtained from Penta Career Center, 9301 Buck Road, Perrysburg, Ohio 43551.

***Ohio Schools Council***

The Ohio Schools Council Association (Council) is a jointly governed organization among school districts, educational service centers, joint vocational districts, and Developmental Disabilities Boards which was formed to purchase quality products and services at the lowest possible cost to participants. The Council is governed by a board consisting of nine superintendents from the participants. The degree of control exercised by any participant is limited to its representation on the Board. Financial information can be obtained from the Ohio Schools Council Association, 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

**Note 15 – Insurance Purchasing Pools**

***Ohio Association of School Business Officials Group Rating Program***

The District participates in the Ohio Association of School Business Officials (OASBO) Workers' Compensation Group Rating Program (GRP). The GRP is sponsored by OASBO and administered by Sheakley. 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.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 15 – Insurance Purchasing Pools (continued)**

***Wood County Schools Benefit Plan Association***

The School Benefit Plan Association (Association) is a public entity shared risk pool consisting of six local school districts, two exempted village school districts, a city school district, a joint vocational school and the Wood County Educational Service Center. The Association is organized as a Voluntary Employee Benefit Association under Internal Revenue Code Section 501(c)(9) and provides medical, dental and other benefits to the employees of the participating entities. Each participating entity's superintendent is appointed to an Administrative Committee which advises the Trustee, Huntington Bank, concerning aspects of the administration of the Association.

Each entity decides which plans offered by the Administrative Committee will be extended to its employees. Participation in the Association is by written application subject to acceptance by the Administrative Committee and payment of the monthly premiums. Financial information can be obtained from Huntington Retirement Plan Services, 519 Madison Avenue, 3<sup>rd</sup> Floor, Toledo, Ohio 43604.

***The Ohio School Plan***

The District participates in the Ohio School Plan (the Plan), an insurance purchasing pool established under Ohio Revised Code Section 2744.081. The Plan is an unincorporated nonprofit association of its members which enable the participants to provide for a formalized joint insurance purchasing program for maintaining adequate insurance protection and provides risk management programs and other administrative services. The Plan's business and affairs are conducted by a twelve member Board consisting of individual representatives from various plan members. Hylant Administrative Service is the Plan's administrator and is responsible for processing claims, sales, and customer service. Financial information can be obtained from Hylant Administrative Services, LLC, 811 Madison Avenue, Toledo, Ohio 43604.

**Note 16 – Contingent Liabilities**

***Grants***

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

***Litigation***

The District is not party to legal proceedings that would have a material effect, if any, on the financial condition of the District.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 16 – Contingent Liabilities (Continued)**

***Foundation Funding***

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education and Workforce (DEW) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional DEW adjustments for fiscal year 2024 have been finalized and resulted in an additional receivable for the District of \$4,539, which has since been received.

**Note 17– Compliance, Accountability, and Change in Accounting Principles**

**A. Compliance**

Per Ohio Administrative Code Section 117-2-03(B), the District is required to prepare its annual financial report in accordance with generally accepted accounting principles (GAAP). However, the District elected to prepare its financial statements on a cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, liabilities, net position/fund balances, and disclosures that, while material, cannot be determined at this time. The District can be fined and various other administrative remedies may be taken against the District.

**B. Accountability**

At June 30, 2024, the Other State Grants, IDEA, and Title IV-A special revenue funds had deficit balances, in the amount of \$2,426, \$3,932, and \$2,339, respectively.

**C. Change in Accounting Principles**

For fiscal year 2024, 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.

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 17– Compliance, Accountability, and Change in Accounting Principles (continued)**

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public-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. The notes to the basic financial statements include the disclosure requirements under the Statement.

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.

**Note 18 – Set-Aside Requirements**

The District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by 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. These amounts must be carried forward and used for the same purposes in future years.

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

**Lake Local School District**  
**Wood County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

---

**Note 18 – Set-Aside Requirements (Continued)**

	<u>Capital Improvements</u>
Set-Aside Balance as of June 30, 2024	\$0
Current Year Set-aside Requirement	330,779
Offsets	<u>(330,779)</u>
Total	<u>\$0</u>
Set-aside Balance Carried Forward to Fiscal Year 2025	<u><u>\$0</u></u>

**LAKE LOCAL SCHOOL DISTRICT  
WOOD COUNTY**

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

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Federal AL Number</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
<i>Passed Through Ohio Department of Education and Workforce</i>		
<b><u>Child Nutrition Cluster</u></b>		
School Breakfast Program	10.553	<u>\$139,322</u>
National School Lunch Program:		
Cash Assistance	10.555	558,525
Non-Cash Assistance (Commodities)	10.555	<u>55,035</u>
Total National School Lunch Program		<u>613,560</u>
Summer Food Service Program for Children	10.559	<u>29,563</u>
Total Child Nutrition Cluster		<u>782,445</u>
Total U.S. Department of Agriculture		<u><b>782,445</b></u>
<b>U.S. DEPARTMENT OF EDUCATION</b>		
<i>Passed Through Ohio Department of Education and Workforce</i>		
Title I Grants to Local Educational Agencies	84.010A	<u>234,815</u>
<b><u>Special Education Cluster</u></b>		
Special Education Grants to States	84.027A	370,542
Special Education Preschool Grants	84.173A	22,348
COVID-19 Special Education Preschool Grants	84.173X	<u>5,804</u>
Total Special Education Preschool Grants		<u>28,152</u>
Total Special Education Cluster		<u>398,694</u>
Supporting Effective Instruction State Grants	84.367A	<u>48,256</u>
Student Support and Academic Enrichment Program	84.424A	12,882
Student Support and Academic Enrichment Program - Stronger Connections	84.424F	<u>1,667</u>
Total Student Support and Academic Enrichment Program		<u>14,549</u>
COVID-19 Education Stabilization Fund - ARP ESSER	84.425U	259,862
COVID-19 Education Stabilization Fund - ARP Homeless Targeted Support	84.425W	<u>1,155</u>
Total COVID-19 Education Stabilization Fund		<u>261,017</u>
Total U.S. Department of Education		<u><b>957,331</b></u>
<b>U.S. DEPARTMENT OF TREASURY</b>		
<i>Passed Through Ohio Facilities Construction Commission</i>		
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>810</u>
Total U.S. Department of Treasury		<u><b>810</b></u>
<b>Total Expenditures of Federal Awards</b>		<u><b>\$1,740,586</b></u>

*The accompanying notes are an integral part of this schedule.*

**LAKE LOCAL SCHOOL DISTRICT  
WOOD COUNTY**

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

**NOTE A – BASIS OF PRESENTATION**

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

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

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

**NOTE C – INDIRECT COST RATE**

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

**NOTE D – CHILD NUTRITION CLUSTER**

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

**NOTE E – FOOD DONATION PROGRAM**

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

**NOTE F – TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with Ohio Department of Education and Workforce's (DEW) consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2024 to 2025 programs:

<b><u>Program Title</u></b>	<b><u>AL Number</u></b>	<b><u>Amt. Transferred</u></b>
Title I Grants to Local Educational Agencies	84.010A	\$2,960
Student Support and Academic Enrichment Program	84.424A	400
Special Education Grants to States	84.027A	55



# OHIO AUDITOR OF STATE KEITH FABER



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

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

Lake Local School District  
Wood County  
28090 Lemoyne Road  
Millbury, Ohio 43447-9747

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 the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Local School District, Wood County, Ohio (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 11, 2025, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

### ***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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

***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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2024-001.

***District's Response to Finding***

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and corrective action plan. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

***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

June 11, 2025

# OHIO AUDITOR OF STATE KEITH FABER



65 East State 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

Lake Local School District  
Wood County  
28090 Lemoyne Road  
Millbury, Ohio 43447-9747

To the Board of Education:

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

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

We have audited Lake Local School District, Wood County, Ohio's, (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 Lake Local School District's major federal program for the year ended June 30, 2024. Lake 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, Lake Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

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

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

We are required to be independent of the 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

June 11, 2025

**This page intentionally left blank.**

**LAKE LOCAL SCHOOL DISTRICT  
WOOD COUNTY**

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

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
--

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

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

**FINDING NUMBER 2024-001**

**Noncompliance**

**Ohio Rev. Code § 117.38** provides that each public office shall file a financial report for each fiscal year. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office.

**Ohio Admin. Code 117-2-03(B)** requires the District to file annual financial reports which are prepared using generally accepted accounting principles (GAAP).

The District prepared financial statements that, although formatted similar to financial statements prescribed by the Governmental Accounting Standards Board, report on the cash basis of accounting rather than GAAP. The accompanying financial statements and notes omit certain assets, liabilities, deferred inflows/outflows of resources, fund equities/net position, and disclosures that, while presumed material, cannot be determined at this time.

Pursuant to Ohio Rev. Code § 117.38 the District may be fined for its failure to file the required financial report. Failure to report on a GAAP basis compromises the District's ability to evaluate and monitor the overall financial condition of the District. To help provide the users with more meaningful financial statements, the District should prepare its annual financial statements according to generally accepted accounting principles.

**Officials' Response:**

See corrective action plan.

**3. FINDINGS FOR FEDERAL AWARDS**

None.





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

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2023-001	Ohio Rev. Code § 117.38 and Ohio Admin. Code § 117-2-03(B), for not reporting financial statements on a General Accepted Accounting Principles (GAAP) basis. Finding first reported in 2010.	Not corrected and reissued as Finding 2024-001 in this report.	GAAP Statements not deemed cost beneficial.
2023-002	Significant deficiency over the District not consistently or properly reconciling the Hilltop investment account through the fiscal year.	Fully corrected.	
2023-003	Noncompliance and material weakness over federal financial reporting for not properly reporting federal expenditures on the Final Expenditure Report. Finding first reported in 2022.	Fully corrected.	



**CORRECTIVE ACTION PLAN**  
**2 CFR § 200.511(c)**  
**JUNE 30, 2024**

**Finding Number:** 2024-001  
**Planned Corrective Action:** No corrective action will be taken – GAAP statements not deemed cost effective.  
**Anticipated Completion Date:** N/A  
**Responsible Contact Person:** Maria E. Robinson, Treasurer



# OHIO AUDITOR OF STATE KEITH FABER



**LAKE LOCAL SCHOOL DISTRICT**

**WOOD COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 6/24/2025**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)