

Basic Financial Statements
and Supplementary Information

Oldham County School District

June 30, 2024

Basic Financial Statements
and Supplementary Information

Oldham County School District

June 30, 2024

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Independent Auditors' Report

Members of the Board
Oldham County School District
Crestwood, Kentucky

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

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 and the *Kentucky Public School Districts' Audit Contract and Requirements* prescribed by the Kentucky State Commission for School District Audits. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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, *Government Auditing Standards* and *Kentucky Public School Districts' Audit Contract and Requirements* prescribed by the Kentucky State Committee For School District Audits 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, *Government Auditing Standards*, and *Government Auditing Standards and Kentucky Public School Districts' Audit Contract and Requirements*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (Unaudited) on pages 4 through 13, budgetary comparison information on pages 67 through 71, and the pension and other postemployment benefits liability and contributions information on pages 72 through 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing

the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. Schedules of School Activity Funds on pages 85 through 89, the combining supplementary information on pages 90 and 91, and 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* on pages 92 through 94, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related 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 statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

LBMC, PC

Louisville, Kentucky
December 16, 2024

Management's Discussion and Analysis (Unaudited)

Oldham County School District

June 30, 2024

As management of the Oldham County School District (the "District"), we offer readers of the District's financial statement this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information found within the body of the audit.

FINANCIAL HIGHLIGHTS

Overview

Oldham County Schools' student enrollment was 12,211 students in the 2023-2024 fiscal year. This is a slight increase from the prior year. These students are instructed in 20 schools including 3 high schools (plus an alternative school and a career education center), 4 middle schools, 9 elementary schools, a preschool, and an arts center. In Fiscal Year 2023, a new district strategic plan was completed, which outlines our vision, goals, and objectives over the next five years. The four pillars of our strategic plan are our students, staff, families, and community. We aim to engage these groups, empower them with knowledge and passion, and elevate the experience each has within our school system. Stemming from the strategic plan, our new District logo and tagline were created: "Ignite Passion. Experience Excellence." The logo creates a powerful visual representation of the District's commitment to both passion and excellence. It communicates the idea that through the District's educational programs and supportive environment, students will be inspired to pursue their passions while receiving the necessary tools, resources, and guidance to excel in all aspects of their academic and personal lives.

Revenue

The General Fund recognized \$132.0 million in revenue consisting primarily of local property, utility, and motor vehicle taxes and the State allocation ("SEEK"). Included in this amount, \$33.0 million representing payments made by the State on the District's behalf for teachers' retirement contributions, employees' health insurances, and technology services, was recognized as revenue. On-behalf revenues account for 25.0% of total General Fund revenues.

The District levied property tax rates of 81.2 cents per \$100 assessed value of real estate and personal property, and 64.3 cents for motor vehicles per \$100 of assessed value, along with a 3% utility tax for the year ended June 30, 2024. The property tax, personal property, motor vehicle and utility tax rates remained constant in comparison to fiscal year 2023. Increased property value assessments generated approximately \$2.6 million of additional general property tax revenues for the year ended June 30, 2024. Property and motor vehicle taxes comprise 40.8% of revenues.

Continued

Oldham County School District

June 30, 2024

The District recognized \$4.0 million in utility taxes. This permissive tax accounts for 3.1% of General Fund operating revenues, providing some relief in the funding gap created by the State's funding formula.

For Fiscal Year 2024, the state of Kentucky increased its guaranteed base level of support per pupil SEEK funding from \$4,100 to \$4,200. The SEEK calculations resulted in a final General Fund SEEK decrease in SEEK funding for Fiscal Year 2024 of \$3,467,371 over that of Fiscal Year 2023.

The District administered over \$9.8 million in federal, state and local grants and other programs during the year, of which \$2.5 million were pandemic relief funds, including \$1.6 million for childcare center stabilization. An additional \$6.3 million was administered in the Child Nutrition programs.

Expenditures

General Fund expenditures were \$132.7 million. Salaries and related costs total \$110.1 million or 83% of the general operating expenditures. Included in this amount is \$33.0 million in teachers' retirement contributions, employees' health insurances, and technology services payments made by the State.

Instruction comprises 50.7% of governmental program expenditures and support services expenditures make up an additional 34.3%. The remaining expenses for community services activities, plant operations and maintenance and pupil transportation account for the remaining 15.0% of total government expense.

The District is currently operating under a bus fleet replacement plan reflecting a purchase of 5 new buses in the current year, at an approximate cost of \$925,865. Due to supply chain issues, not all of the ordered buses were received in the current fiscal year.

The District's Technology plan outlines goals to cover Network, Server and Audio/Video Infrastructure lifecycles. Based upon Gartner research data and current vendor End of Life policies, the district has determined a "Useful Life Schedule" for new equipment. Barring any significant expansion or new demands on the infrastructure, the District has budgeted \$1.6 million each year to refresh portions of a particular equipment within its useful life schedule. This includes infrastructure for roughly 900 classrooms' audio/video, wireless and wired networking; core and distribution networking; data center networking; and production and security servers.

Continued

Oldham County School District

June 30, 2024

Construction/Capital Assets

Construction in Fiscal Year 2024 continued to progress on projects begun at an accelerated rate in Fiscal Year 2020. Projects included:

- **South Oldham High School**, Phase 1 work totaling approximately \$13.75M included Replace Stadium lighting at each High School, Replacement of Concession stand at South Oldham High School & Stadium Improvements, Turf replacement at North Oldham High School and Oldham County High School. Phase 2 work will continue into FY25 and include further stadium upgrades to OCHS and NOHS totaling approximately \$5.63M.
- **Oldham County Preschool**, work began in FY24 for the Expansion and Roof Replacement project and will continue into April of 25 at an estimated \$11.72M.
- **South Oldham and Oldham County Middle Schools**, additions and renovation creating addition instructional spaces for STEM related learning were complete in August of 2024 totaling approximately \$3.175M.
- **Kenwood Elementary School** received a total roof replacement with standing seam metal roof. Work was completed Fall of 2024 totaling approximately \$1.6M.
- **Districtwide Site Accessibility and Playground Improvement** work began in FY24 and is scheduled to continue into the Summer of 2025 totaling approximately \$1.6M.
- **NOHS & OCHS Field #2 Improvements** began in FY24 and were completed in late fall of 2024 creating a secondary venue for Soccer, Field hockey, and Lacrosse including new artificial turf fields, concessions, fencing and bleachers costing approximately \$7.13M.
- **Former Liberty Elementary School** demolition contract was awarded in FY24 at \$397,940.86.
- **Design work began in FY24 for the following:**
 - BAHS & OCHS Improvements currently budgeted at \$42.2M
 - SOHS Phase 3 – Addition and Major Renovation currently budgeted at \$94.6M
- **Several smaller projects were begun in Fiscal Year 24, including:**
 - OCHS & NOHS Auditorium Light and Sound Upgrades.
 - Flooring replacement at Various Locations.

Continued

Oldham County School District

June 30, 2024

Proprietary Funds

The District operates two business-type, or proprietary, funds: Food Service and Child Daycare operations. Business-type activities are supported primarily through charges/fees to participants for goods or services and are expected to be self-sufficient. They receive no support from tax revenues. Both proprietary funds continued to receive covid pandemic relief via several federal grant or funding programs.

Academics

Oldham County Schools continues to rank among the highest-performing school districts on various academic achievement and college readiness assessments.

Academic Highlights

- Repeatedly named #1 Best School District in the Louisville area by Niche.
- SOHS ranked #7, NOHS ranked #11, and OCHS ranked #17 high schools in Kentucky by US News & World Report.
- All three high schools made the AP Honor Roll. OCHS achieved Silver status, NOHS achieved Gold status and SOHS earned Platinum status. The AP School Honor Roll recognizes schools whose AP programs are delivering results for students while broadening access. Schools can earn this recognition annually based on criteria that reflect a commitment to increasing college-going culture, providing opportunities for students to earn college credit, and maximizing college readiness.
- Graduation rate of 97.4% compared to 92.85% average for Kentucky.
- ACT scores remain among the highest in Kentucky
 - Oldham County average 21.4 (state average 18.6, national average 19.4)

Continued

Oldham County School District

June 30, 2024

Governmental Accounting Standards Board Statement 34 established financial reporting standards for state and local governments, including school districts. Government entities are required to present a series of financial statements and supporting discussion, to include:

- 1) Management's discussion and analysis (MD&A)
- 2) Basic financial statements, to include:
 - i) District-wide financial statements, with distinctions between governmental and business-type activities
 - ii) Fund financial statements, with distinctions between each of the major and non-major funds and the fiduciary funds
 - iii) A reconciliation or cross-walk from the fund financial statements to the government-wide financial statements
- 3) Required supplementary information, including budgetary comparisons

Future Budgetary Considerations

As part of its overall long-term financial plan, the District strives to be a good steward of its public funding and continually monitors its budget and operations to provide an exceptional education for students, fair compensation for employees, and to request a tax rate increase only when necessary.

By law, Kentucky School Districts must maintain a minimum general fund contingency. The Oldham County School District adopted its Fiscal Year 24 Working Budget with a general fund contingency of \$17.0 million, or 11%. As with any projection, circumstances that could affect the Working Budget and related contingency are likely to occur. Examples of circumstances that could affect the projected contingency balance include changes in projected Federal and State funding, assessed property values and estimated tax collection rates, pension fund reform, unexpected expenditures and inflation, student transportation acquisitions and funding of new educational initiatives. The Board continually monitors this contingency to assure its adequacy in association with the fiscal operations of the district.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements, tables, and notes to those statements. The statements are organized so the reader can understand Oldham County School District as a financial whole, or by individual operating entity/fund.

Continued

Oldham County School District

June 30, 2024

District-wide financial statements. The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. Assets, liabilities, deferred inflows/outflows, revenues, and expenses are reported using the full accrual basis of accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The required reports for district-wide financial statements, the Statement of Net Position and the Statement of Activities, provide information about the activities of the whole school district, presenting an aggregate long-term view of the school district's finances. These statements consolidate the various funds used by the school district for providing programs and activities to show how the school district as a whole performed financially during the current fiscal year.

The statements report the District's net position and changes in it from the previous year's net position. This change is important because it identifies whether the net financial position of the District has improved or diminished for the school district as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Kentucky affecting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the District is divided into two distinct kinds of activities:

Government Activities – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and other support activities. Funding is provided or levied primarily from government sources.

Business-type Activities – The District's food service and child daycare operations are reported as business activities. Funding for these services is provided through charges for goods or services used to recover all of the expenses of the goods or services provided. This activity is designated as proprietary funds in the fund financial statements.

Fund financial statements. A fund is a grouping of accounts that is used to maintain control over resources that have been segregated for specific purposes. The state mandates uniform fund accounting structure and charts of accounts utilizing MUNIS financial software for all Kentucky public school districts. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements are prepared using the modified accrual basis of accounting.

Continued

Oldham County School District

June 30, 2024

Fund financial statements provide a different type of segregation of the District's financial activities than do the District-wide financial statements—by Fund. These fund statements tell how services were financed in the fiscal year, as well as what remains for future short-term spending, for each of the funds. For Oldham County School District, the General Fund is the most significant fund.

All of the funds of the District can be divided into three categories: governmental, proprietary and fiduciary funds. The proprietary funds, also known as business-type activities in the district-wide reports, consist of food service and child daycare operations. The District's fiduciary funds are held by the district in a trustee capacity for external entities (i.e.: scholarship funds). The District's student activity funds held for student groups, which were considered fiduciary prior to GASB 84, are now grouped with the governmental funds. All other activities of the District are included in the governmental funds.

Required fund financial statements for governmental funds are a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances. Required financial statements for proprietary funds are a Statement of Net Position; a Statement of Revenues, Expenditures, and Changes in Fund Balances; and a Statement of Cash Flows. The required financial statement for fiduciary funds is a Statement of Net Position.

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

DISTRICT-WIDE FINANCIAL ANALYSIS

All of the funds of the District can be divided into three categories: governmental, proprietary and fiduciary funds. The proprietary funds, also known as business-type activities in the district-wide reports, consist of food service and child daycare operations. The District's fiduciary funds are held by the district in a trustee capacity for external entities (i.e.: scholarship funds). All other activities of the District are included in the governmental funds.

Continued

Management’s Discussion and Analysis (Unaudited)--Continued

Oldham County School District

June 30, 2024

Net Position for the periods ended June 30, 2024 and 2023

The following is a summary of net position for the fiscal years ended June 30, 2024 and 2023.

**Net Position for the Years Ended June 30, 2024 and 2023
(Table 1)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current Assets	\$ 77,564,706	\$ 69,474,995	\$ 8,526,553	\$ 9,118,050	\$ 86,091,259	\$ 78,593,045
Capital Assets	251,900,552	236,843,647	5,666,472	5,452,358	257,567,024	242,296,005
Total Assets	329,465,258	306,318,642	14,193,025	14,570,408	343,658,283	320,889,050
Deferred Outflows of Resources	30,943,744	41,022,775	1,490,464	1,316,391	32,434,208	42,339,166
Current Liabilities	26,980,854	18,936,228	31,786	113,543	27,012,640	19,049,771
Long-term Liabilities	183,350,665	207,594,586	3,499,070	3,956,139	186,849,735	211,550,725
Total Liabilities	210,331,519	226,530,814	3,530,856	4,069,682	213,862,375	230,600,496
Deferred Inflows of Resources	41,299,857	27,043,950	2,498,651	959,876	43,798,508	28,003,826
Net investment in capital assets	112,747,368	102,604,636	5,666,472	5,452,358	118,413,840	108,056,994
Restricted	27,921,360	40,167,999	920,199	920,199	28,841,559	41,088,198
Unrestricted	(31,891,102)	(49,005,982)	3,067,311	4,484,684	(28,823,791)	(44,521,298)
Total Net Position	\$ 108,777,626	\$ 93,766,653	\$ 9,653,982	\$ 10,857,241	\$ 118,431,608	\$ 104,623,894

Comments on General Fund Budget Comparisons

- The District’s total revenues in the General Fund for the fiscal year ended June 30, 2024, were \$143,376,133, net of inter-fund transfers and sale of assets, of \$11,241,787 and \$116,923 respectively.
- General Fund budgeted revenue compared to actual revenue varied slightly from line item to line item with the ending actual balance being \$13,350,666 more than budget or approximately 11% of General Fund Budget
- General Fund actual expenditures were \$132,913,523 net of inter-fund transfers of \$178,038.
- General Fund actual expenditures were less than budgeted expenditures by \$21,709,748.

Continued

Management's Discussion and Analysis (MD&A) (Unaudited)--Continued

Oldham County School District

June 30, 2024

DISTRICT-WIDE FINANCIAL ANALYSIS (Continued)

The following table presents a summary of revenues and expenses for the fiscal years ended June 30, 2024 and 2023.

Summary of Changes in Net Position for the Years Ended June 30, 2024 and 2023
(Table 2)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 6,384,521	\$ 11,587,900	\$ 6,294,285	\$ 6,052,874	\$ 12,678,806	\$ 17,640,774
Operating grants and contributions	44,710,284	54,665,967	3,439,632	3,411,724	48,149,916	58,077,691
Capital grants and contributions	-	434,322	-	-	-	434,322
General Revenues:						
Property taxes	72,044,846	67,350,449	-	-	72,044,846	67,350,449
Utility taxes	4,032,460	4,247,281	-	-	4,032,460	4,247,281
Interest and investment earnings	3,163,769	1,808,451	443,982	293,554	3,607,751	2,102,005
State and federal	42,548,067	50,478,819	11,535	10,537	42,559,602	50,489,356
Other	1,101,229	283,632	333	-	1,101,562	283,632
Total Revenues	173,985,176	190,856,821	10,189,767	9,768,689	184,174,943	200,625,510
Expenses:						
Program Activities:						
Instruction	99,114,926	110,626,334	-	-	99,114,926	110,626,334
Student support services	10,506,120	9,645,436	-	-	10,506,120	9,645,436
Instructional staff support services	7,912,786	6,982,154	-	-	7,912,786	6,982,154
District administration	2,970,609	2,728,893	-	-	2,970,609	2,728,893
School administration	9,284,199	7,826,219	-	-	9,284,199	7,826,219
Business support services	4,131,705	5,549,410	-	-	4,131,705	5,549,410
Plant operations and maintenance	9,613,805	13,107,118	-	-	9,613,805	13,107,118
Transportation	4,044,969	7,469,583	-	-	4,044,969	7,469,583
Community services	37,344	2,964,575	-	-	37,344	2,964,575.00
Day Care Operation	777,488	-	-	-	777,488	-
Facilities acquisition and construction	7,179,338	578,005	-	-	7,179,338	578,005
Interest and bond issuance costs	5,986,688	4,052,899	-	-	5,986,688	4,052,899
Business-type Activities:						
Food service	-	-	6,385,080	5,469,112	6,385,080	5,469,112
Daycare	-	-	2,422,172	258,034	2,422,172	258,034
Total Expenses	161,559,977	171,530,626	8,807,252	5,727,146	170,367,229	177,257,772
Transfers	2,585,774	1,947,135	(2,585,774)	(2,045,005)	-	(97,870)
Increase (Decrease) in Net Position	\$ 15,010,973	\$ 21,273,330	\$ (1,203,259)	\$ 1,996,538	\$ 13,807,714	\$ 23,269,868

Continued

Oldham County School District

June 30, 2024

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to reflect accountability for the monies received and expended.

Questions about this report, or additional financial information needs, should be directed to Superintendent Dr. Jason Radford or Chief Financial Officer Kerri Alexander at (502) 241-3500 or by mail, to Oldham County School District, 6165 West Highway 146, Crestwood, Kentucky 40014.

DISTRICT-WIDE FINANCIAL STATEMENTS

Statement of Net Position
Oldham County School District
June 30, 2024

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 58,592,972	\$ 8,753,690	\$ 67,346,662
Investments	15,904,557	-	15,904,557
Accounts receivable	2,669,758	10,130	2,679,888
Inventories	-	160,152	160,152
Internal balances	397,419	(397,419)	-
Land and other nondepreciable assets	58,386,339	-	58,386,339
Capital assets, net of accumulated depreciation	<u>193,514,213</u>	<u>5,666,472</u>	<u>199,180,685</u>
Total Assets	<u>329,465,258</u>	<u>14,193,025</u>	<u>343,658,283</u>
Deferred Outflows of Resources			
Deferred loss from refunding bonds	1,256,500	-	1,256,500
Deferred outflows from CERS pension liability	10,359,870	1,095,095	11,454,965
Deferred outflows from OPEB liability	<u>19,327,374</u>	<u>395,369</u>	<u>19,722,743</u>
Total Deferred Outflows of Resources	<u>\$ 30,943,744</u>	<u>\$ 1,490,464</u>	<u>\$ 32,434,208</u>
Liabilities			
Accounts payable	\$ 648,776	\$ 31,786	\$ 680,562
Other payables accrued	497,451	-	497,451
Accrued payroll and related liabilities	12,955,556	-	12,955,556
Current portion of accrued sick and vacation leave	477,586	-	477,586
Accrued interest payable	1,021,485	-	1,021,485
School building revenue bonds, current	11,380,000	-	11,380,000
Net pension liability	33,829,985	3,576,013	37,405,998
Net OPEB liability	21,344,096	(76,943)	21,267,153
Long-term maturities:			
School building revenue bonds, net	126,751,699	-	126,751,699
Accrued sick and vacation leave	<u>1,424,885</u>	<u>-</u>	<u>1,424,885</u>
Total Liabilities	<u>210,331,519</u>	<u>3,530,856</u>	<u>213,862,375</u>
Deferred Inflows of Resources			
Deferred inflows from CERS pension liability	9,513,195	1,005,597	10,518,792
Deferred inflows from OPEB liability	<u>31,786,662</u>	<u>1,493,054</u>	<u>33,279,716</u>
Total Deferred Inflows of Resources	<u>41,299,857</u>	<u>2,498,651</u>	<u>43,798,508</u>
Net Position			
Net investment in capital assets	112,747,368	5,666,472	118,413,840
Restricted for:			
Capital projects/debt service	24,525,498	-	24,525,498
Student activities/other	3,395,862	-	3,395,862
Proprietary funds	-	920,199	920,199
Unrestricted/(Deficit)	<u>(31,891,102)</u>	<u>3,067,311</u>	<u>(28,823,791)</u>
Total Net Position	<u>\$ 108,777,626</u>	<u>\$ 9,653,982</u>	<u>\$ 118,431,608</u>

See Accompanying Notes to Financial Statements

Statement of Activities
Oldham County School District
Year Ended June 30, 2024

Functions/Programs	Expenses		Program Revenues		Net (Expense)/Revenue and Changes in Net Position		
	District-wide Total	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction	\$ 99,114,926	\$ 6,384,521	\$ 33,473,665	\$ -	\$ (59,256,740)	\$ -	\$ (59,256,740)
Support Services:							
Student	10,506,120	-	2,223,081	-	(8,283,039)	-	(8,283,039)
Instructional staff	7,912,786	-	2,960,090	-	(4,952,696)	-	(4,952,696)
District administrative	2,970,609	-	223,656	-	(2,746,953)	-	(2,746,953)
School administrative	9,284,199	-	1,300,346	-	(7,983,853)	-	(7,983,853)
Business support services	4,131,705	-	531,455	-	(3,600,250)	-	(3,600,250)
Plant operations and maintenance	9,613,805	-	816,032	-	(8,797,773)	-	(8,797,773)
Transportation	4,044,969	-	655,567	-	(3,389,402)	-	(3,389,402)
Community services	37,344	-	160,296	-	122,952	-	122,952
Day Care Operation	777,488	-	2,366,096	-	1,588,608	-	1,588,608
Facilities acquisition and construction	7,179,338	-	-	-	(7,179,338)	-	(7,179,338)
Interest	5,639,665	-	-	-	(5,639,665)	-	(5,639,665)
Bond issuance costs	347,023	-	-	-	(347,023)	-	(347,023)
Total Governmental Activities	161,559,977	6,384,521	44,710,284	-	(110,465,172)	-	(110,465,172)
Business-type Activities							
Food service	6,385,080	2,633,930	3,346,058	-	-	(405,092)	(405,092)
Daycare	2,422,172	3,660,355	93,574	-	-	1,331,757	1,331,757
Total Business-type Activities	8,807,252	6,294,285	3,439,632	-	-	926,665	926,665
Total Activities	\$ 170,367,229	\$ 12,678,806	\$ 48,149,916	\$ -	(110,465,172)	926,665	(109,538,507)
General Revenues:							
Taxes:							
Property taxes					72,044,846	-	72,044,846
Utility taxes					4,032,460	-	4,032,460
State grants					35,482,047	11,535	35,493,582
Federal grants					7,066,020	-	7,066,020
Interest and investment earnings					3,163,769	443,982	3,607,751
Gain on disposal of capital assets					116,923	-	116,923
Other					984,306	333	984,639
Total General Revenues					122,890,371	455,850	123,346,221
Income before operating transfers					12,425,199	1,382,515	13,807,714
Operating transfers in/(out)					2,585,774	(2,585,774)	-
Change in Net Position					15,010,973	(1,203,259)	13,807,714
Net Position, Beginning of Year					93,766,653	10,857,241	104,623,894
Net Position, End of Year					\$ 108,777,626	\$ 9,653,982	\$ 118,431,608

See Accompanying Notes to Financial Statements

FUND FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds
Oldham County School District
June 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Building Fund	Construction Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 21,730,083	\$ 122,426	\$ 377,132	\$ 8,703,422	\$ 22,224,870	\$ 5,435,039	\$ 58,592,972
Investments	15,904,557	-	-	-	-	-	15,904,557
Accounts and grants receivable	1,445,124	1,224,634	-	-	-	-	2,669,758
Due from other funds	387,378	11,821	-	-	-	-	399,199
Total Assets	\$ 39,467,142	\$ 1,358,881	\$ 377,132	\$ 8,703,422	\$ 22,224,870	\$ 5,435,039	\$ 77,566,486
Liabilities							
Accounts payable	\$ 516,537	\$ -	\$ -	\$ -	\$ -	\$ 132,239	\$ 648,776
Other payables accrued	497,451	-	-	-	-	-	497,451
Accrued payroll and related liabilities	2,915,152	1,358,881	-	-	8,681,523	-	12,955,556
Due to other funds	-	-	-	-	-	1,780	1,780
Current portion of accrued sick leave benefits	477,586	-	-	-	-	-	477,586
Total Liabilities	4,406,726	1,358,881	-	-	8,681,523	134,019	14,581,149
Fund Balances							
Restricted:							
Capital projects	-	-	-	8,703,422	13,543,347	1,901,597	24,148,366
Debt service	-	-	377,132	-	-	-	377,132
Other	-	-	-	-	-	3,395,862	3,395,862
Assigned:							
Future obligations	140,831	-	-	-	-	3,561	144,392
Unassigned	34,919,585	-	-	-	-	-	34,919,585
Total Fund Balances	35,060,416	-	377,132	8,703,422	13,543,347	5,301,020	62,985,337
Total Liabilities and Fund Balances	\$ 39,467,142	\$ 1,358,881	\$ 377,132	\$ 8,703,422	\$ 22,224,870	\$ 5,435,039	\$ 77,566,486

See Accompanying Notes to Financial Statements

**Reconciliation of Total Governmental Fund Balances on Balance Sheet
to Statement of Net Position for Governmental Activities
June 30, 2024**

Total Governmental Fund Balances	\$ 62,985,337
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Amounts reported for Governmental Activities in the Statement of Net Position are different from the Balance Sheet because:

Capital asset activities are not considered financial resources and therefore are not reported as assets in the governmental fund balance sheet	251,900,552
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Deferred losses from refunding bonds are not considered financial resources and therefore are not reported as assets in the governmental funds balance sheet	1,256,500
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Deferred outflows and inflows from CERS pension and OPEBs are not considered financial resources and therefore are not reported as assets or liabilities in the governmental funds balance sheet	(11,612,613)
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Long-term liabilities, including bonds payable, are not considered due and payable in the government funds balance sheet. Long-term liabilities at year-end consist of:

Bonds Payable (also includes current liability)	(138,131,699)
Net OPEB Liability	(21,344,096)
Net Pension Liability	(33,829,985)
Accrued Interest - Bonds Payable	(1,021,485)
Accrued Sick and Vacation Leave	(1,424,885)

Net Position of Governmental Activities	\$ <u>108,777,626</u>
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See Accompanying Notes to Financial Statements

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Oldham County School District
Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Debt Service Fund	Building Fund	Construction Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Local sources:							
Property taxes	\$ 47,275,967	\$ -	\$ -	\$ 18,185,176	\$ -	\$ -	\$ 65,461,143
Motor vehicle taxes	6,583,703	-	-	-	-	-	6,583,703
Utility taxes	4,032,460	-	-	-	-	-	4,032,460
Interest and investment earnings	2,454,455	-	-	-	643,408	65,906	3,163,769
Tuition and fees	24,940	-	-	-	-	6,359,581	6,384,521
Other local	490,145	47,989	-	-	-	446,172	984,306
State sources:							
SEEK program	37,341,457	-	-	-	-	-	37,341,457
Other state revenues	33,425,945	2,668,087	400,600	5,205,144	-	1,151,098	42,850,874
Federal sources	388,350	6,677,670	-	-	-	-	7,066,020
Total Revenues	132,017,422	9,393,746	400,600	23,390,320	643,408	8,022,757	173,868,253
Expenditures							
Instruction	81,306,748	4,422,250	-	-	-	6,695,588	92,424,586
Student support services	9,922,832	870,666	-	-	-	-	10,793,498
Instructional staff support services	4,477,056	2,339,939	-	-	-	-	6,816,995
District administrative support services	3,005,986	112,308	-	-	-	-	3,118,294
School administrative support services	8,767,234	-	-	-	-	-	8,767,234
Business support services	5,447,064	-	-	-	-	-	5,447,064
Plant operations and maintenance	11,225,697	-	-	-	-	-	11,225,697
Transportation	7,418,655	-	-	-	-	-	7,418,655
Community services	17,845	160,297	-	-	-	-	178,142
Day Care Operation	-	2,366,096	-	-	-	-	2,366,096
Facility acquisition and construction	1,146,367	-	-	-	29,579,850	-	30,726,217
Debt Service							
Principal	-	-	13,215,000	-	-	-	13,215,000
Interest	-	-	4,443,339	-	-	-	4,443,339
Other	-	-	347,023	-	-	-	347,023
Total Expenditures	132,735,484	10,271,556	18,005,362	-	29,579,850	6,695,588	197,287,840
Excess (Deficit) of Revenues Over (Under) Expenditures	(718,062)	(877,810)	(17,604,762)	23,390,320	(28,936,442)	1,327,169	(23,419,587)
Other Financing Sources/(Uses)							
Proceeds of revenue refunding bonds	-	-	5,795,668	-	-	-	5,795,668
Proceeds of school building revenue bonds	-	-	-	-	17,874,332	-	17,874,332
Bond premium	-	-	-	-	868,557	-	868,557
Refinanced bond	-	-	(5,652,138)	-	-	-	(5,652,138)
Proceeds from sale of equipment	116,923	-	-	-	-	-	116,923
Transfers in	11,241,787	694,338	17,461,232	-	12,869,708	-	42,267,065
Transfers out	(178,038)	-	-	(30,699,553)	(6,304,816)	(2,498,884)	(39,681,291)
Total Other Financing Sources/(Uses)	11,180,672	694,338	17,604,762	(30,699,553)	25,307,781	(2,498,884)	21,589,116
Net Change in Fund Balances	10,462,610	(183,472)	-	(7,309,233)	(3,628,661)	(1,171,715)	(1,830,471)
Fund Balances, Beginning of Year	24,597,806	183,472	377,132	16,012,655	17,172,008	6,472,735	64,815,808
Fund Balances, End of Year	\$ 35,060,416	\$ -	\$ 377,132	\$ 8,703,422	\$ 13,543,347	\$ 5,301,020	\$ 62,985,337

See Accompanying Notes to Financial Statements

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
for Total Governmental Funds to the Governmental Activities of the Statement of Activities Report
June 30, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ (1,830,471)

Amounts reported for Governmental Activities in the Statement of Activities report are different from those in the Net Change in Fund Balances portion of the Statement of Revenues, Expenditures and Changes in Fund Balances (Fund Financial Statements) because certain activities from the Statement of Revenues, Expenditures and Changes in Fund Balances are reported as assets or liabilities in the Government-wide reports, and are therefore not reported as revenues or expenses in the Statement of Activities:

Capital asset purchases are reported as expenditures in the Fund Financial Statement; however, they are presented as assets in the Statement of Net Position and depreciated over their estimated economic lives	15,107,249
Bond proceeds are recorded as revenues in the Fund Financial Statement but are recorded as liabilities in the Statement of Net Position	(23,670,000)
Bond payments are recognized as expenditures of current financial resources in the Fund Financial Statement but are reductions of liabilities in the Statement of Net Position	17,630,249
Accrued bond interest payable is not reported in the Fund Financial Statements but is a reduction of liabilities in the Statement of Net Position	40,566
Bond premiums are not reported as a part of long-term debt in the Fund Financial Statement but are recorded in the Statement of Net Position	(868,557)
Changes in Net Pension Liability are not reported as a liability in the Fund Financial Statements but are recorded as a liability in the Statement of Net Position	5,803,917
Changes in Net OPEB Liability are not reported as a liability in the Fund Financial Statements but are recorded as a liability in the Statement of Net Position	3,578,673
Changes in non-current accrued sick and vacation leave are not reported in the Fund Financial Statements because they are not recognized as an expenditure of current financial resources, but are recorded as a liability in the Statement of Net Position	<u>(780,653)</u>

Change in Net Position of Statement of Activities for Governmental Activities \$ 15,010,973

See Accompanying Notes to Financial Statements

**Statement of Net Position
Proprietary Funds
Oldham County School District
June 30, 2024**

	<u>Food Service</u>	<u>Daycare</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 3,398,905	\$ 5,354,785	\$ 8,753,690
Accounts receivable	10,130	-	10,130
Inventories	160,152	-	160,152
Total Current Assets	<u>3,569,187</u>	<u>5,354,785</u>	<u>8,923,972</u>
Non-current Assets			
Capital assets	10,508,535	-	10,508,535
Accumulated Depreciation	(4,842,063)	-	(4,842,063)
Total Non-current Assets	<u>5,666,472</u>	<u>-</u>	<u>5,666,472</u>
Deferred Outflows of Resources			
Deferred outflows from CERS pension liability	757,173	337,922	1,095,095
Deferred outflows from OPEB liabilities	273,367	122,002	395,369
Total Deferred Outflows of Resources	<u>1,030,540</u>	<u>459,924</u>	<u>1,490,464</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 10,266,199</u>	<u>\$ 5,814,709</u>	<u>\$ 16,080,908</u>
Liabilities			
Accounts payable	\$ -	\$ 31,786	\$ 31,786
Due to other funds	-	397,419	397,419
Net pension liability	2,472,536	1,103,477	3,576,013
Net OPEB liability (asset)	(53,200)	(23,743)	(76,943)
Total Liabilities	<u>2,419,336</u>	<u>1,508,939</u>	<u>3,928,275</u>
Deferred Inflows of Resources			
Deferred inflows from CERS pension liability	695,292	310,305	1,005,597
Deferred inflows from OPEB liabilities	1,032,331	460,723	1,493,054
Total Deferred Inflows of Resources	<u>1,727,623</u>	<u>771,028</u>	<u>2,498,651</u>
Net Position			
Net investment in capital assets	5,666,472	-	5,666,472
Restricted	920,199	-	920,199
Unrestricted/(deficit)	(467,431)	3,534,742	3,067,311
Total Net Position	<u>6,119,240</u>	<u>3,534,742</u>	<u>9,653,982</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 10,266,199</u>	<u>\$ 5,814,709</u>	<u>\$ 16,080,908</u>

See Accompanying Notes to Financial Statements

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Oldham County School District
Year Ended June 30, 2024

	<u>Food Service</u>	<u>Daycare</u>	<u>Total</u>
Operating Revenues			
Lunchroom sales	\$ 2,633,930	\$ -	\$ 2,633,930
Tuition	-	3,660,355	3,660,355
Total Operating Revenues	<u>2,633,930</u>	<u>3,660,355</u>	<u>6,294,285</u>
Operating Expenses			
Salaries, wages and benefits	1,970,650	1,899,304	3,869,954
Contract services	119,395	9,400	128,795
Materials and supplies	3,989,132	150,498	4,139,630
Depreciation	291,910	-	291,910
Other expenses	13,993	362,970	376,963
Total Operating Expenses	<u>6,385,080</u>	<u>2,422,172</u>	<u>8,807,252</u>
Operating Income (Loss)	(3,751,150)	1,238,183	(2,512,967)
Nonoperating Revenues (Expenses)			
Federal grants	2,868,517	-	2,868,517
Donated commodities	185,854	-	185,854
On-behalf revenues	291,687	93,574	385,261
State grants	-	11,535	11,535
Transfers in	39,525	-	39,525
Transfers out	(269,177)	(2,356,122)	(2,625,299)
Interest and investment earnings	208,552	235,430	443,982
Other	333	-	333
Total Nonoperating Revenues (Expenses)	<u>3,325,291</u>	<u>(2,015,583)</u>	<u>1,309,708</u>
Change in Net Position	(425,859)	(777,400)	(1,203,259)
Net Position, Beginning of Year	<u>6,545,099</u>	<u>4,312,142</u>	<u>10,857,241</u>
Net Position, End of Year	<u>\$ 6,119,240</u>	<u>\$ 3,534,742</u>	<u>\$ 9,653,982</u>

See Accompanying Notes to Financial Statements

Statement of Cash Flows
Proprietary Funds
Oldham County School District
Year Ended June 30, 2024

	<u>Food Service</u>	<u>Daycare</u>	<u>Total</u>
Cash Flows from Operating Activities			
Cash Received From:			
Lunchroom sales	\$ 2,640,670	\$ -	\$ 2,640,670
Daycare fees	-	3,660,355	3,660,355
Cash Paid To/For:			
Employees and contract services	(2,337,031)	(754,085)	(3,091,116)
Materials and supplies	(4,001,549)	(138,076)	(4,139,625)
Other	(13,993)	(54,173)	(68,166)
Net Cash Provided By (Used In) Operating Activities	(3,711,903)	2,714,021	(997,882)
Cash Flows from Capital and Related Financing Activity			
Purchases of capital assets	(506,024)	-	(506,024)
Cash Flows from Investing Activity			
Investment income	208,552	235,430	443,982
Cash Flows from Noncapital Financing Activities			
Federal and state grants	2,868,517	11,535	2,880,052
Donated commodities	185,854	-	185,854
On-behalf revenues	291,687	93,574	385,261
Transfers	(229,652)	(2,356,122)	(2,585,774)
Other	333	-	333
Net Cash Flows Provided By (Used In) Noncapital Financing Activities	3,116,739	(2,251,013)	865,726
Net Increase (Decrease) in Cash and Cash Equivalents	(892,636)	698,438	(194,198)
Balances - Beginning of Year	4,291,541	4,656,347	8,947,888
Balances - End of Year	\$ 3,398,905	\$ 5,354,785	\$ 8,753,690
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities			
Operating Income (Loss)	\$ (3,751,150)	\$ 1,238,183	\$ (2,512,967)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Depreciation	291,910	-	291,910
Change in Assets and Liabilities:			
Accounts receivable	6,740	-	6,740
Inventories	(6,860)	-	(6,860)
Due from General Fund	-	-	-
Deferred outflows from CERS pension liability	37,810	(282,089)	(244,279)
Deferred outflows from OPEB liability	161,655	(91,449)	70,206
Accounts payable	(5,557)	12,422	6,865
Interfund payable	-	308,797	308,797
Net pension liability	(431,175)	899,543	468,368
OPEB liability	(846,013)	(79,424)	(925,437)
Deferred inflows from CERS pension liability	252,171	279,184	531,355
Deferred inflows from OPEB liability	578,566	428,854	1,007,420
Net Cash Provided By (Used In) Operating Activities	\$ (3,711,903)	\$ 2,714,021	\$ (997,882)
Schedule of Non-cash Transactions:			
Donated commodities received from federal government	\$ 185,854	\$ -	\$ 185,854
On-behalf payments	\$ 291,687	\$ 93,574	\$ 385,261

See Accompanying Notes to Financial Statements

Statement of Fiduciary Net Position
Fiduciary Fund
Oldham County School District
Year Ended June 30, 2024

	Fiduciary Fund
Assets	
Cash and cash equivalents	<u>\$ 4,931</u>
Total Assets	<u><u>\$ 4,931</u></u>
Net Position	
Restricted - other	<u>\$ 4,931</u>
	<u><u>\$ 4,931</u></u>

See Accompanying Notes to Financial Statements

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Oldham County School District
Year Ended June 30, 2024

	Fiduciary Fund
Additions	
Net interest and investment gains	\$ -
Deductions	
Other expenses	-
Net change in Net position	-
Net position, July 1, 2023	4,931
Net position, June 30, 2024	\$ 4,931

See Accompanying Notes to Financial Statements

Notes to Basic Financial Statements

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies

Reporting Entity

The Oldham County Board of Education (the "Board"), a five member group, is the level of government which has oversight responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the Oldham County School District (the "District"). The District receives funding from local, state and federal government sources and must comply with the commitment requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to develop policies which may influence operations, and primary accountability for fiscal matters.

The District, for financial purposes, includes all the funds and account groups relevant to the operation of the Oldham County Board of Education. The financial statements presented herein do not include funds of groups and organizations, which although associated with the school system, have not originated within the Board itself such as Parent-Teacher Associations, etc.

The financial statements of the District include those of separately administered organizations that are controlled by or dependent on the Board. Control or dependence is determined on the basis of budget adoption, funding and appointment of the respective governing board.

Based on the foregoing criteria, the financial statements of the following organization are included in the accompanying financial statements:

Oldham County School District Finance Corporation - The Board authorized the establishment of the Oldham County School District Finance Corporation (a non-profit, non-stock, public and charitable corporation organized under the School Bond Act and KRS 273 and KRS 58.180) as an agency of the District for financing the costs of school building facilities. The Board Members of the Oldham County Board of Education also comprise the Corporation's Board of Directors.

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

Basis of Presentation

District-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.

The district-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the district-wide statements and the statements for governmental funds.

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

Fund Financial Statements – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the changes in total net position. Proprietary funds and fiduciary funds are reported using the economic resources measurement focus.

The District has the following funds:

I. Governmental Fund Types

- (A) The General Fund is the primary operating fund of the District. It accounts for financial resources used for general types of operations. This is a budgeted fund and any unrestricted fund balances are considered as resources available for use. This is a major fund of the District.
- (B) The Special Revenue Fund accounts for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to disbursements for specified purposes. It includes federal financial programs where unused balances are returned to the grantor at the close of specified project periods as well as the state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. The separate projects of federally funded grant programs are identified in the schedule of expenditures of federal awards included in this report on pages 92-93. This is a major fund of the District.
- (C) Special Revenue Activity Fund is used to support co-curricular activities and are not raised and expended by student groups. District activity funds accounted for in the District bank account are not subject to the Redbook and may be expended with more flexibility than school activity funds but must meet the "educational purpose" standard for all District expenditures.
- (D) The Activity Funds account for activities of student groups and other types of activities requiring clearing accounts. These funds are accounted for in accordance with Uniform Program of Accounting for School Activity Funds.
- (E) Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by Proprietary Funds).
 - 1. The Support Education Excellence in Kentucky ("SEEK") Capital Outlay Fund receives those funds designated by the state as Capital Outlay funds and is restricted for use in financing projects identified in the District's facility plan.

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

2. The Facility Support Program of Kentucky Fund ("FSPK") accounts for funds generated by the building tax levy required to participate in the School Facilities Construction Commission's construction funding and state matching funds, where applicable. Funds may be used for projects identified in the District's facility plan.
3. The Construction Fund accounts for proceeds from sales of bonds and other revenues to be used for authorized construction. The District is committed to construction contracts in the amount of \$17,172,008 for ongoing projects.

II. Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related costs; and, for the payment of interest on general obligation notes payable, as required by Kentucky Law. This is a major fund of the District.

III. Proprietary Fund (Enterprise Fund)

The School Food Service Fund is used to account for school food service activities, including the National School Lunch Program, which is conducted in cooperation with the U.S. Department of Agriculture ("USDA"). The Food Service fund is a major fund of the District.

The Daycare Fund is used to support the daycare programs at the individual schools. These funds are used to support the resources needed to actively manage these programs.

IV. Fiduciary Fund Type (Agency and Trust Funds)

The District applies all Governmental Accounting Standards Board ("GASB") pronouncements to proprietary funds as well as the Financial Accounting Standards Board ("FASB") pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

Basis of Accounting

The District's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The GASB is responsible for establishing GAAP for state and local government through its pronouncements (Statements and Interpretations).

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

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

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

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

Taxes

Property Tax Revenues – Property taxes are levied each September on the assessed value listed as of the prior January 1, for all real and personal property in the county. The billings are considered due upon receipt by the taxpayer; however, the actual date is based on a period ending 30 days after the tax bill mailing. Property taxes collected are recorded as revenues in the fiscal year for which they were levied. All taxes collected are initially deposited into the General Fund and then transferred to the appropriate fund.

Budgetary Process

Budgetary Basis of Accounting: The District's budgetary process accounts for certain transactions on a basis other than GAAP of the United States of America. The major differences between the budgetary basis and the GAAP basis are:

Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (“GAAP”).

Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (“GAAP”).

Cash and Cash Equivalents

The District considers demand deposits, money market funds, and other investments with an original maturity of 90 days or less, to be cash equivalents.

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

Inventories

Supplies and materials are charged to expenditures when purchased, except for inventories in the Proprietary Fund, which are recorded at the lower of cost or market.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the district-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of one thousand dollars, with the exception of computers, digital cameras and real property, for which there is no threshold. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives for both general capital assets and proprietary fund assets:

<u>Description</u>	<u>Estimated Life in Years</u>
Buildings and improvements	25-50
Land improvements	20
Technology equipment	5
Vehicles	5-10
General equipment	5-15
Food service equipment	5-12
Furniture and fixtures	7
Other	20

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

Accumulated Unpaid Sick and Vacation Leave Benefits

Upon retirement from the school system, an employee will receive from the District an amount equal to 30% of the value of accumulated sick leave. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the District's experience of making termination payments. The entire compensated absence liability is reported on the district-wide financial statements.

Prepaid Expenses/Expenditures

Payments made that will benefit periods beyond the end of the fiscal year are recorded as prepaid items on the accompanying statement of net position and the balance sheet using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense/expenditure is reported in the year in which services are consumed.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statements of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the district-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the noncurrent portion of capital leases, accumulated sick leave, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Fund Balance Reserves

Beginning with fiscal year 2012, the District implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the District's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts constrained to specific purposes by the District itself, using its decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the District takes the action to remove or change the constraint.

Assigned fund balance – amounts the District intends to use for specific purposes (such as encumbrances); intent can be expressed by the District or by an official or body to which the District delegates the authority.

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the General fund.

It is the Board's practice to liquidate funds when conditions have been met releasing these funds from legal, contractual, Board or managerial obligations, using restricted funds first, followed by committed funds, assigned funds, then unassigned funds.

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

Encumbrances are not liabilities and are not recorded as expenditures until receipt of material or service. Encumbrances remaining open at the end of the fiscal year are automatically re-budgeted in the following fiscal year. Encumbrances are considered a managerial assignment of fund balance in the governmental funds balance sheet.

Net Position

Net position represents the difference between assets, liabilities and deferred inflows and outflows. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, those revenues are primarily charges for meals provided by the various schools.

Interfund Activity

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employees Retirement System Non-Hazardous ("CERS") and

Continued

Oldham County School District

June 30, 2024

1. Basis of Presentation and Summary of Significant Accounting Policies--Continued

Teachers Retirement System of the State of Kentucky ("TRS") and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the pensions. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the District's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Teachers' Retirement System of the State of Kentucky ("TRS") and additions to deductions from TRS's fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

2. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, designated fund balances, and disclosure of contingent assets and liabilities at the date of the general purpose financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

3. Cash and Cash Equivalents

The District maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. The amounts exceeding the federally insured limits are covered by a collateral agreement and the collateral is held by the pledging banks' trust departments in the District's name. The District has not experienced any losses in such accounts and the District believes it is not exposed to any significant credit risk on cash and cash equivalents.

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

4. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2024 is as follows:

	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance June 30, 2024</u>
Governmental Activities				
Cost				
Land	\$ 13,696,302	\$ -	\$ -	\$ 13,696,302
Construction in progress	21,619,160	23,121,221	50,344	44,690,037
Land improvements	5,337,919	-	-	5,337,919
Buildings and improvements	306,872,366	425,658	-	307,298,024
Technology equipment	10,245,576	245,112	41,445	10,449,243
Vehicles	17,449,942	925,865	454,692	17,921,115
Machinery and equipment	6,004,784	731,869	-	6,736,653
Infrastructure	2,724,429	-	-	2,724,429
Total Assets at cost	\$ 383,950,478	\$ 25,449,725	\$ 546,481	\$ 408,853,722
Accumulated depreciation				
	<u>Balance June 30, 2023</u>	<u>Depreciation</u>	<u>Dispositions</u>	<u>Balance June 30, 2024</u>
Land improvements	\$ 2,606,731	\$ 189,539	\$ -	\$ 2,796,270
Buildings and improvements	118,264,804	7,841,989	-	126,106,793
Technology equipment	7,892,661	915,486	41,445	8,766,702
Vehicles	13,050,412	833,402	454,692	13,429,122
Machinery and equipment	3,354,091	436,900	-	3,790,991
Infrastructure	1,938,132	125,160	-	2,063,292
Total Accumulated depreciation	\$ 147,106,831	\$ 10,342,476	\$ 496,137	\$ 156,953,170
Net Capital Assets				
Depreciable capital assets	\$ 201,528,185			\$ 193,514,213
Non-depreciable capital assets	35,315,462			58,386,339
Capital Assets, Net of Accumulated Depreciation	\$ 236,843,647			\$ 251,900,552

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

4. Capital Assets--Continued

	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance June 30, 2024</u>
<u>Business-Type Activities</u>				
Cost				
Buildings and improvements	\$ 7,294,748	\$ -	\$ -	\$ 7,294,748
Food service equipment	2,587,488	506,024	-	3,093,512
Vehicles	106,726	-	-	106,726
Technology equipment	13,549	-	-	13,549
Total Assets at Cost	<u>\$ 10,002,511</u>	<u>\$ 506,024</u>	<u>\$ -</u>	<u>\$ 10,508,535</u>
	<u>Balance June 30, 2023</u>	<u>Depreciation</u>	<u>Dispositions</u>	<u>Balance June 30, 2024</u>
Accumulated Depreciation				
Buildings and improvements	\$ 2,900,160	\$ 142,931	\$ -	\$ 3,043,091
Food service equipment	1,593,297	132,159	-	1,725,456
Vehicles	43,159	16,820	-	59,979
Technology equipment	13,537	-	-	13,537
Total Accumulated Depreciation	<u>\$ 4,550,153</u>	<u>\$ 291,910</u>	<u>\$ -</u>	<u>\$ 4,842,063</u>
Capital Assets, Net of Accumulated Depreciation	<u>\$ 5,452,358</u>			<u>\$ 5,666,472</u>

Depreciation expense by function for the fiscal year ended June 30, 2023 was as follows:

	<u>Governmental</u>	<u>Business-Type</u>
Instruction	\$ 6,154,799	\$ -
District administration	84,750	-
Business support services	71	-
Plant operations and maintenance	3,202,117	-
Food service	-	291,910
Student transportation	900,739	-
Total Depreciation Expense	<u>\$ 10,342,476</u>	<u>\$ 291,910</u>

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

5. Accumulated Unpaid Sick and Vacation Leave Benefits

Upon providing proof of qualification as an annuitant from the Kentucky Teacher's Retirement System, certified and classified employees will receive from the District an amount equal to 30% of the value of accumulated sick leave.

The compensated absence liability for both sick and vacation leave benefits is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of accrued sick and vacation leave is the amount expected to be paid using expendable available resources. This amount is recorded in the accumulated leave payable account in the General Fund. The non-current portion of the liability is not reported.

A summary of the changes in the estimated accrued sick and vacation leave benefits during the fiscal year ended June 30, 2024 is as follows:

Balance as of June 30, 2023	\$ 1,121,818
Additions/increases to estimate	1,053,469
Less payments of sick hours at retirement	<u>(272,816)</u>
Balance as of June 30, 2024	1,902,471
Less current portion	<u>477,586</u>
Non-current Portion	<u>\$ 1,424,885</u>

6. Bonded Debt

The amount shown in the accompanying financial statements as bond obligations represents the District's future obligations to make lease payments relating to the bonds issued.

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

6. Bonded Debt--Continued

The original amount of each issue, the issue date, and interest rates are summarized below:

Bond Series	Issue Date	Proceeds	Interest Rates
2012 Refunding	July 16, 2012	\$ 17,820,000	2.00%
2012B Refunding	August 1, 2012	13,035,000	2.00 – 2.40%
2013	August 1, 2013	10,360,000	3.88%
2015	March 28, 2015	18,465,000	2.00 – 4.00%
2016 Refunding	March 1, 2016	28,965,000	2.00 – 5.00%
2016	September 8, 2016	15,565,000	2.00 – 4.00%
2016B Refunding	September 8, 2016	33,485,000	0.05 – 4.00%
2018	September 5, 2018	13,740,000	3.00 – 3.50%
2020 Refunding	November 4, 2020	1,960,000	1.00 – 1.50%
2021 Refunding	August 12, 2021	6,700,000	1.50 – 1.85%
2021B	October 6, 2021	8,800,000	2.00%
2023	May 10, 2023	12,755,000	4.00%
2024	June 20, 2024	23,670,000	5.00%

The District, through the General Fund (including utility taxes and the Support Education Excellence in Kentucky (“SEEK”) Capital Outlay Fund) is obligated to make payments in amounts sufficient to satisfy debt service requirements on bonds issued by the Oldham County School District Finance Corporation to construct school facilities.

For the 2012 Refunding, 2012B Refunding, 2013, 2015 and 2016 Refunding 2nd Bonds, the District entered into "participation agreements" with the School Facility Construction Commission (the “Commission”). The Commission was created by the Kentucky General Assembly for the purpose of assisting local school districts in meeting school construction needs. The participation agreements generally provide for the Commission to assist the District in meeting bond obligation and are renewable at the Commissions option, bi-annually. Should the Kentucky General Assembly choose to not fund the Commission in the future, the District would be responsible for meeting the full requirements of the bond issues. The table below sets forth the amount to be paid by the District and the Commission for each year until maturity of all bonds issues. The liability for the total bond amount remains with the District and, as such, the total principal has been recorded in the financial statements.

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

6. Bonded Debt--Continued

All issues may be called prior to maturity and redemption premiums are specified in each issue. Assuming no bonds are called prior to scheduled maturity, the minimum obligations of the District, including amounts to be paid by the Commission, at June 30, 2024 for debt service (principal and interest) are as follows:

Fiscal Year Ending	Oldham County School District		Kentucky School Facility Construction Commission		Total
	Principal	Interest	Principal	Interest	
2025	\$ 11,197,040	\$ 4,526,026	\$ 182,960	\$ 42,554	\$ 15,948,580
2026	12,086,287	4,414,353	183,713	42,730	16,727,083
2027	12,645,291	3,859,548	179,709	41,798	16,726,346
2028	13,406,371	3,110,000	168,629	39,221	16,724,221
2029	7,836,371	2,769,837	168,629	39,221	10,814,058
2030	8,071,371	2,533,553	168,629	39,221	10,812,774
2031	8,326,371	2,281,604	168,629	39,221	10,815,825
2032	8,601,372	2,004,585	168,628	39,221	10,813,806
2033	8,933,306	1,717,135	131,694	30,631	10,812,766
2034	8,354,584	1,451,381	30,416	7,075	9,843,456
2035	8,545,000	1,170,963			9,715,963
2036	5,755,000	841,088			6,596,088
2037	5,960,000	634,988			6,594,988
2038	3,675,000	468,813			4,143,813
2039	3,810,000	334,225			4,144,225
2040	3,055,000	211,350			3,266,350
2041	1,550,000	130,200			1,680,200
2042	2,360,000	78,500			2,438,500
	<u>\$ 134,168,364</u>	<u>\$ 32,538,149</u>	<u>\$ 1,551,636</u>	<u>\$ 360,893</u>	<u>\$ 168,619,042</u>

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

6. Bonded Debt--Continued

A summary of the changes in the outstanding bonds during the fiscal year ended June 30, 2024 is as follows:

<u>Issue</u>	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2024</u>
2012 Refunding	\$ 1,885,000	\$ -	\$ 1,885,000	\$ -
2012B Refunding	4,575,000	-	4,575,000	-
2013	5,980,000	-	5,980,000	-
2015	18,170,000	-	60,000	18,110,000
2016 Refunding	23,975,000	-	690,000	23,285,000
2016B Refunding	21,030,000	-	2,200,000	18,830,000
2016	14,160,000	-	290,000	13,870,000
2018	11,600,000	-	565,000	11,035,000
2020 Refunding	1,640,000	-	100,000	1,540,000
2021 Refunding	6,630,000	-	70,000	6,560,000
2021B	8,435,000	-	370,000	8,065,000
2023	12,755,000	-	2,000,000	10,755,000
2024	-	23,670,000	-	23,670,000
Subtotal	130,835,000	23,670,000	18,785,000	135,720,000
Bond Premium	2,905,637	868,557	922,317	2,851,877
Bond Discount	(563,667)	-	(123,489)	(440,178)
Totals, net	<u>\$ 133,176,970</u>	<u>\$ 24,538,557</u>	<u>\$ 19,583,828</u>	<u>\$ 138,131,699</u>

7. Retirement Plans

The District's employees are provided with two pension plans, based on each position's college degree requirement. The County Employees Retirement System ("CERS") covers employees whose position does not require a college degree or teaching certification. The Kentucky Teachers Retirement System ("TRS") covers positions requiring teaching certification or otherwise requiring a college degree.

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

General information about the County Employees Retirement System Non-Hazardous

Plan description

Employees whose positions do not require a degree beyond a high school diploma are covered by the CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Public Pensions Authority (“KPPA”) (formerly the Kentucky Retirement System), an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute (“KRS”) Section 61.645, the Board of Trustees of the Kentucky Public Pension Authority administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Public Pension Authority issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/>.

Benefits provided

CERS provides retirement, health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years’ service. For retirement purposes, employees are grouped into three tiers, based on hire date:

Tier 1	Participation date Unreduced retirement Reduced retirement	Before September 1, 2008 27 years of service or 65 years old At least 5 years of service and 55 years old or at least 25 years of service and any age
Tier 2	Participation date Unreduced retirement Reduced retirement	September 1, 2008 – December 31, 2013 At least 5 years of service and 65 years old or age 57+ and sum of service years plus age equal 87 At least 10 years of service and 60 years old
Tier 3	Participation date Unreduced retirement Reduced retirement	After December 31, 2013 At least 5 years of service and 65 years old or age 57+ and sum of service years plus age equal 87 Not available

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

Cost of living adjustments are provided at the discretion of the General Assembly. Retirement is based on a factor of the number of years' service and hire date multiplied by the average of the highest five years' earnings. Reduced benefits are based on factors of both of these components. Participating employees become eligible to receive the health insurance benefit after at least 180 months of service. Death benefits are provided for both death after retirement and death prior to retirement. Death benefits after retirement are \$5,000 in lump sum. One month's service is required for death benefits prior to retirement and the employee must have suffered a duty-related death. The decedent's beneficiary will receive the higher of the normal death benefit and \$10,000 plus 75% of the decedent's monthly average rate of pay. If the surviving spouse remarries, the monthly rate will be recalculated to 25% of the decedent's monthly average. Any dependent child will receive 50% of the decedent's monthly final rate of pay up to 75% for all dependent children. Five years' service is required for nonservice-related disability benefits.

Contributions

Required contributions by the employee are based on the following tier:

	<u>Required Contribution</u>
Tier 1	5%
Tier 2	5% + 1% for insurance
Tier 3	5% + 1% for insurance

The contribution requirement for CERS for the year ended June 30, 2024, was \$5,486,475, which consisted of \$4,540,950 from the District and \$945,525 from the employees. Total District contributions for the year ended June 30, 2023 and 2022 were \$4,216,444 and \$3,509,603, respectively. The contributions have been contributed in full for fiscal years 2024, 2023 and 2022.

General information about the Teachers' Retirement System of the State of Kentucky ("TRS")

Plan description

Teaching certified employees of the District and other employees whose positions require at least a college degree are provided pensions through the Teachers' Retirement System of the State of Kentucky—a cost-sharing multiple-employer defined benefit pension plan with a special funding situation established to provide retirement annuity plan coverage for local school districts and other public educational agencies in the Commonwealth. TRS was created by the 1938 General

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

Assembly and is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the KRS. TRS is a blended component unit of the Commonwealth of Kentucky and therefore is included in the Commonwealth's financial statements. TRS issues a publicly available financial report that can be obtained at <https://trs.ky.gov/administration/financial-reports-information/>.

For employees who have established an account in a retirement system administered by the Commonwealth prior to July 1, 2008, employees become vested when they complete five (5) years of credited service. To qualify for monthly retirement benefits, payable for life, employees must either:

1. Attain age 55 and complete five years of Kentucky service, or
2. Complete 27 years of Kentucky service.

Employees that retire before age 60 with less than 27 years of service receive reduced retirement benefits. Non-university employees with an account established prior to July 1, 2002 receive monthly payments equal to two (2) percent (service prior to July 1, 1983) and two and one-half (2.5) percent (service after July 1, 1983) of their final average salaries for each year of credited service. New employees (including second retirement accounts) after July 1, 2002 will receive monthly benefits equal to 2% of their final average salary for each year of service if, upon retirement, their total service less than ten years. New employees after July 1, 2002 who retire with ten or more years of total service will receive monthly benefits equal to 2.5% of their final average salary for each year of service, including the first ten years. In addition, employees who retire July 1, 2004 and later with more than 30 years of service will have their multiplier increased for all years over 30 from 2.5% to 3.0% to be used in their benefit calculation. New employees hired after July 1, 2008 but before December 31, 2021 who retire with less than ten years will receive monthly benefits equal to 1.7% of their final average salary for each year of service. New employees hired between July 1, 2008 and December 31, 2021 with between 20 to 26 years of service will receive monthly benefits equal to 2.3% of their final average salary for each year of service. Lastly, new employees hired between July 1, 2008 and December 31, 2021 with between 26-30 years of service. Effective January 1, 2022 the system has been amended to change the benefit structure for employees hired on or after that date.

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

Final average salary is defined as the member's five (5) highest annual salaries for those with less than 27 years of service. Employees at least age 55 with 27 or more years of service may use their three (3) highest annual salaries to compute the final average salary. TRS also provides disability benefits for vested employees at the rate of sixty (60) percent of the final average salary. A life insurance benefit, payable upon the death of a member, is \$2,000 for active contributing employees and \$5,000 for retired or disabled employees.

Cost of living increases are one and one-half (1.5) percent annually. Additional ad hoc increases and any other benefit amendments must be authorized by the General Assembly.

Contributions

Contribution rates are established by Kentucky Revised Statutes. For members who began participating before Jan. 1, 2022, non-university employees are required to contribute 12.855% of their salaries to the System. University employees are required to contribute 10.400% of their salaries. KRS 161.565 allows each university to reduce the contribution of its employees by 2.215%; therefore, university employees contribute 8.185% of their salary to TRS. For members employed by local school districts, the state (as a non-employer contributing entity) contributes 13.105% of salary for those who joined before July 1, 2008, and 14.105% for those who joined on or after July 1, 2008, and before Jan. 1, 2022. Other participating employers are required to contribute the percentage contributed by members plus an additional 3.25% of members' gross salaries.

For local school district and regional cooperative employees whose salaries are federally funded, the employer contributes 16.105% or 17.105% of salaries. If an employee leaves covered employment before accumulating five (5) years of credited service, accumulated employee pension contributions plus interest are refunded to the employee upon the member's request.

For members employed by local school districts, the state (as a non-employer contributing entity) contributes 13.105% of salary for those who joined before July 1, 2008, and 14.105% for those who joined on or after July 1, 2008, and before Jan. 1, 2022. Other participating employers are required to contribute the percentage contributed by members plus an additional 3.25% of members' gross salaries.

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

The contribution requirement for TRS for the year ended June 30, 2024, was \$10,192,677, which consisted of \$2,125,808 from the District and \$8,066,869 from the employees. Total District contributions for the year ended June 30, 2023 and 2022 were \$ 2,287,243 and \$2,280,873, respectively. The contributions have been contributed in full for fiscal years 2024, 2023 and 2022.

Medical Insurance Plan

Plan description

In addition to the pension benefits described above, KRS 161.675 requires TRS to provide post-employment healthcare benefits to eligible employees and dependents. The TRS Medical Insurance Fund ("MIF") is a cost-sharing multiple employer defined benefit plan. Changes made to the medical plan may be made by the TRS Board of Trustees, the Kentucky Department of Employee Insurance and the General Assembly.

To be eligible for medical benefits, the member must have retired either for service or disability. The TRS Medical Insurance Fund offers coverage to employees under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. Once retired employees and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the TRS Medicare Eligible Health Plan.

Funding policy

In order to fund the post-retirement healthcare benefit, 7.50% of the gross annual payroll of employees before July 1, 2008 is contributed. 3.75% is paid by member contributions, 0.75% is contributed by the Commonwealth, and 3.00% is contributed by the employer. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan.

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

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability for CERS. The District did not report a liability for the District's proportionate share of the net pension liability for TRS because the Commonwealth of Kentucky provides the pension support directly to TRS on behalf of the District. The amount recognized by the District as its

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

proportionate share of the net pension liability, the related Commonwealth support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the CERS net pension liability	\$ 37,405,998
State's proportionate share of the TRS net pension liability associated with the District	<u>294,846,515</u>
	<u><u>\$ 332,252,513</u></u>

The net pension liability for each plan was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The District's proportion of the net pension liability for CERS was based on the actual liability of the employees and former employees relative to the total liability of the System as determined by the actuary. At June 30, 2023, the District's proportion was 0.582965%.

For the year ended June 30, 2024, the District recognized net pension expense of \$591,289 related to CERS. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to CERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,936,436	\$ 101,643
Changes of assumptions	-	3,428,286
Net difference between projected and actual earnings on pension plan investments	4,040,907	4,551,146
Changes in proportion and differences between District contributions and proportionate share of contributions	936,672	2,437,717
District contributions after the measurement date	<u>4,540,950</u>	<u>-</u>
Total	<u><u>\$ 11,454,965</u></u>	<u><u>\$ 10,518,792</u></u>

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

\$4,540,950 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows related to pensions will be recognized in pension expense as follows:

Year Ending June 30	
2024	\$ (1,601,655)
2025	(2,476,048)
2026	835,053
2027	(362,127)

Actuarial assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>CERS</u>	<u>TRS</u>
Inflation (price / wage)	2.30%	2.50%
Projected salary increases (annually)	2.00%	3.0 - 7.5%
Investment rate of return, net of investment expense and inflation	6.25%	7.10%

For CERS, mortality rates used for active members for PUB-2010 General Mortality table projected with the ultimate rates from the MP-2020 mortality improvement scale using a base year of 2010. The mortality table used for healthy retired members was a system-specific mortality table based on a mortality experience from 2013-2022, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2023. The mortality table used for disabled members was PUB-2010 Disabled Mortality table, with rates multiplied by 150% for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

For TRS, mortality rates were based on Pub2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each groups: service, retirees, contingent annuitants, disabled retirees, and active members. The actuarial assumptions used were based on the results of an actuarial experience study for the 5-year period ending June 30, 2020, adopted by the board on September 20, 2021. The Municipal Bond Index Rate used for this purpose is the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index.

For CERS, the long-term expected return on plan assets is reviewed against actual plan experience at least once every five years through the completion of an actuarial experience study. In general, the assumptions and methods used in the June 30, 2023 valuation are based on the most recent actuarial experience study performed as of June 30, 2022, submitted, and adopted by the Boards in May and June 2023. The future investment earnings of plan assets are assumed to accumulate at a rate of 6.50% per annum. This rate consists of a 2.50% price inflation component and a 4.00% real rate of return component. This assumption was adopted in 2023.

For TRS, the long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS' and CERS' investment consultant, are summarized in the following table:

<u>Asset Classes</u>	<u>TRS Target Allocation</u>	<u>TRS Long-Term Expected Real Rate of Return</u>	<u>CERS Target Allocation</u>	<u>CERS Long-Term Expected Real Rate of Return</u>
U.S. equity	38.0%	5.00%	50.0%	5.90%
Developed international equity	15.7%	5.50%		
Emerging markets equity	5.3%	6.10%		
Core bonds			10.0%	2.45%
Private equity	7.0%	8.00%	10.0%	11.73%
High yield	5.0%	3.80%	10.0%	3.65%
Fixed income	15.0%	1.90%		
Additional categories	5.0%	3.60%		
Real estate	7.0%	3.20%	7.0%	4.99%
Real return			13.0%	5.15%
Cash	2.0%	1.60%	0.0%	1.39%
Total	<u>100.00%</u>		<u>100.00%</u>	

Discount rate

For CERS, the discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan employees and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment return of 6.50%. The long-term investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

For TRS, the discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates for all fiscal years in the future. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected 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 benefit payments to determine the total pension liability.

Continued

Oldham County School District

June 30, 2024

7. Retirement Plans--Continued

Sensitivity of CERS and TRS proportionate share of net pension liability to changes in the discount rate

The following table presents the net pension liability of the District, calculated using the discount rates selected by each pension system, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
TRS	6.10%	7.10%	8.10%
District's proportionate share of net pension liability	\$ -	\$ -	\$ -
CERS	5.50%	6.50%	7.50%
District's proportionate share of net pension liability	\$ 47,227,333	\$ 37,405,998	\$ 29,444,100

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial reports of both CERS and TRS.

8. OPEB Plans

General information about the Teachers' Retirement System OPEB Plan

Plan description

Teaching-certified employees of the Oldham County Schools are provided other post employment benefits (OPEB) through the Teachers' Retirement System of the State of Kentucky (TRS) – a cost-sharing multiple-employer defined benefit OPEB plan with a special funding situation established to provide retirement annuity plan coverage for local school districts and other public educational agencies in the state. TRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the Kentucky Revised Statutes and

Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

therefore is included in the Commonwealth's financial statements. TRS issues a publicly available financial report that can be obtained at <https://trs.ky.gov/administration/financial-reports-information/>.

The state reports a liability, deferred outflows of resources and deferred inflows of resources, and expense as a result of its statutory requirement to contribute to the TRS Medical Insurance and Life Insurance Plans. The following information is about the TRS plans.

Medical Insurance Plan

Plan description

In addition to the OPEB benefits described above, Kentucky Revised Statute 161.675 requires TRS to provide post-employment healthcare benefits to eligible members and dependents. The TRS Medical Insurance benefit is a cost-sharing multiple employer defined benefit plan with a special funding situation. Changes made to the medical plan may be made by the TRS Board of Trustees, the Kentucky Department of Employee Insurance and the General Assembly.

Benefits provided

To be eligible for medical benefits, the member must have retired either for service or disability. The TRS Medical Insurance Fund offers coverage to members under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. TRS retired members are given a supplement to be used for payment of their health insurance premium. The amount of the member's supplement is based on a contribution supplement table approved by the TRS Board of Trustees. The retired member pays premiums in excess of the monthly supplement. Once retired members and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the TRS Medicare Eligible Health Plan.

Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

Contributions

In order to fund the post-retirement healthcare benefit, seven and one-half percent (7.50%) of the gross annual payroll of members is contributed. Three and three quarters percent (3.75%) is paid by member contributions and three quarters percent (.75%) from state appropriation and three percent (3.00%) from the employer. The state contributes the net cost of health insurance premiums for members who retired on or after July 1, 2010 who are in the non-Medicare eligible group. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan.

General information about the County Employees Retirement System Non-Hazardous OPEB Plan

Plan description

Employees whose positions do not require a degree beyond a high school diploma are covered by the CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Public Pension Authority, an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute ("KRS") Section 61.645, the Board of Trustees of the Kentucky Public Pension Authority ("KPPA") administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Public Pension Authority issues a publicly available financial report that includes financial statements and required supplementary information for CERS.

Benefits

CERS provides health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years' service. For retirement purposes, employees are grouped into three tiers, based on hire date. See Note 8 for tier classifications.

Contributions

Required contributions by the employee are based on the tier disclosed in Note 8.

Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

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

At June 30, 2024, the Oldham County School District reported a liability of \$21,267,153 for its proportionate share of the collective net OPEB liability that reflected a reduction for state OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District's proportion was 1.631311% for TRS and 0.582941% for CERS.

The amount recognized by the District as its proportionate share of the OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the CERS net OPEB liability	\$ (804,847)
District's proportionate share of the TRS net OPEB liability	22,072,000
State's proportionate share of the net OPEB liability associated with the District.	<u>18,604,000</u>
	<u><u>\$ 39,871,153</u></u>

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

For the year ended June 30, 2024, the District recognized net OPEB benefit of \$1,865,060 and implicit subsidiary of \$262,883 for support provided by the Commonwealth. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to CERS OPEBs from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 561,100	\$ 11,428,029
Changes of assumptions	1,583,884	1,103,808
Net difference between projected and actual earnings on OPEB investments	1,506,240	1,693,031
Changes in proportion and differences between District contributions and proportionate share of contributions	484,436	1,392,848
District contributions after the measurement date	<u>-</u>	<u>-</u>
Total	<u><u>\$ 4,135,660</u></u>	<u><u>\$ 15,617,716</u></u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$0 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

<u>Year Ending June 30</u>	
2023	\$ (2,923,853)
2024	(3,563,666)
2025	(2,604,083)
2026	(2,390,454)

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

For the year ended June 30, 2024, the District recognized net OPEB benefit of \$114,000 and revenue of \$1,447,302 for MIF and \$45,790 for LIF for support provided by the Commonwealth. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to TRS OPEBs from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 7,481,000
Changes of assumptions	5,017,000	-
Net difference between projected and actual earnings on OPEB investments	413,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	8,370,000	10,181,000
District contributions after the measurement date	<u>1,787,083</u>	<u>-</u>
Total	<u>\$ 15,587,083</u>	<u>\$ 17,662,000</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$1,787,083 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

<u>Year Ending June 30</u>	
2025	\$ (1,060,000)
2026	(956,000)
2027	270,000
2028	(119,000)
2029	(979,000)
Thereafter	(1,018,000)

Continued

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

Actuarial assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>CERS</u>	<u>TRS</u>
Inflation	2.30%	2.50%
Projected salary increases	3.30 - 10.30%	3.00 - 7.50%
Investment rate of return	6.25%	7.10%
Real wage growth	2.00%	0.25%
Wage inflation		2.75%
Healthcare trend rates		
Pre-65	6.30% at 1/1/23 decreasing to an ultimate rate of 4.05% over a period of 13 years	
Post-65	6.30% at 1/1/23 decreasing to an ultimate rate of 4.05% over a period of 13 years	
Medical Trend		6.75% for FY2023 decreasing to an ultimate rate of 4.50% by FY2032
Medicare part B premiums		1.55% for FY2023 with an ultimate rate of 4.50% by FY2034
Municipal bond index rate	3.86%	3.66%
Discount rate	5.93%	7.10%
Single equivalent interest rate		7.10%, net of OPEB plan investment expense, including inflation

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Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

For TRS, mortality rates were based on the Pub2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups; service, retirees, contingent annuitants, disabled retirees, and active members. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation, and rates of plan election used in the June 30, 2020 valuation were based on the results of the most actuarial experience studies, which covered the five-year period ending June 30, 2020, adopted by the Board on September 20, 2021.

For CERS, mortality rates used for active members was PUB-2010 General Mortality table projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. The mortality table used for healthy retired members was a system-specific mortality table based on a mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.

For TRS, the long-term expected rate of return on OPEB plan investments was determined using a lognormal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS's investment consultant, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	40.0%	5.2%
Developed International Equity	15.0%	5.5%
Emerging Markets Equity	5.0%	6.1%
Fixed Income	21.0%	1.9%
Other Additional Categories	5.0%	4.0%
Real Estate	7.0%	3.2%
Private Equity	5.0%	8.0%
Cash	2.0%	1.6%
Total	100.0%	

Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

Discount rate

For TRS, the discount rate used to measure the total OPEB liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

For CERS, the discount rate used to measure the total OPEB liability was 5.93%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the District’s proportionate share of the collective net OPEB liability for CERS and TRS, calculated using the discount rate, as well as what the District’s proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
CERS Discount Rate	4.93%	5.93%	6.93%
District's Net OPEB Liability	\$ 1,510,390	\$ (804,847)	\$ (2,743,576)
TRS Discount Rate	6.10%	7.10%	8.10%
District's Net OPEB Liability	\$ 28,390,000	\$ 22,072,000	\$ 16,850,000

Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

Sensitivity of the District's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates.

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Health Care Trend Rate</u>	<u>1% Increase</u>
CERS			
District's Net OPEB Liability	\$ (2,579,676)	\$ (804,847)	\$ 1,375,363
TRS			
District's Net OPEB Liability	\$ 15,890,000	\$ 22,072,000	\$ 29,770,000

OPEB plan fiduciary net position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS financial report.

Life Insurance Plan

Plan description

TRS administers the life insurance plan as provided by Kentucky Revised Statute 161.655 to eligible active and retired members. The TRS Life Insurance benefit is a cost-sharing multiple employer defined benefit plan with a special funding situation. Changes made to the life insurance plan may be made by the TRS Board of Trustees and the General Assembly.

Continued

Oldham County School District

June 30, 2024

8. OPEB Plans--Continued

Benefits provided

TRS provides a life insurance benefit of five thousand dollars payable for members who retire based on service or disability. TRS provides a life insurance benefit of two thousand dollars payable for its active contributing members. The life insurance benefit funded by the Life Insurance Fund (LIF) is payable upon the death of the member to the member's estate or to a party designated by the member.

Contributions

In order to fund the post-retirement life insurance benefit, three hundredths of one percent (.03%) of the gross annual payroll of members is contributed by the state.

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

At June 30, 2024, the Oldham County Schools District did not report a liability for its proportionate share of the collective net OPEB liability for life insurance benefits because the State of Kentucky provides the OPEB support directly to TRS on behalf of the District. The amount recognized by the District as its proportionate share of the OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability -	\$ -
State's proportionate share of the District's net OPEB liability	<u>460,000</u>
Total	<u>\$ 460,000</u>

For the year ended June 30, 2024, the District recognized OPEB expense of \$-0- and revenue of \$45,790 for support provided by the State.

Oldham County School District

June 30, 2024

9. Postemployment Benefits

Actuarial assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.10%, net of OPEB Plan Investment Expense, including inflation
Projected salary increases	3.00 - 7.50%, including inflation
Inflation rate	2.50%
Wage Inflation	2.75%
Municipal Bond Index Rate	3.66%
Discount Rate	7.10%
Single Equivalent Interest Rate	7.10%, net of OPEB plan Investment Expense, including inflation

Mortality rates were based on the Pub2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups; service, retirees, contingent annuitants, disabled retirees, and active members. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation, and rates of plan election used in the June 30, 2021 valuation were based on the results of the most actuarial experience studies, which covered the five-year period ending June 30, 2020, adopted by the Board on September 20, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Continued

Oldham County School District

June 30, 2024

9. Postemployment Benefits--Continued

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS's investment consultant, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	40.0%	5.2%
Developed International Equity	15.0%	5.5%
Emerging Markets Equity	5.0%	6.1%
Fixed Income	21.0%	1.9%
Other Additional Categories	5.0%	4.0%
Real Estate	7.0%	3.2%
Private Equity	5.0%	8.0%
Cash	2.0%	1.6%
Total	<u>100.0%</u>	

Discount rate

The discount rate used to measure the total OPEB liability for life insurance was 7.10%. The projection of cash flows used to determine the discount rate assumed that the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the District's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 7.10%, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentagepoint lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
TRS Discount Rate	6.10%	7.10%	8.10%
District's Net OPEB Liability	\$ -	\$ -	\$ -

Oldham County School District

June 30, 2024

10. Commitments and Contingencies

The District receives funding from federal, state, and local government agencies and private contributions. These funds are to be used for designated purposes only. For government agency grants, if the grantor's review indicates that the funds have not been used for the intended purpose, the grantors may request a refund of monies advanced or refuse to reimburse the District for its disbursements. The collectability of any related receivables as of June 30, 2024 may be impaired. The amount of such future refunds and unreimbursed disbursements, if any, is not expected to be significant. Continuation of the District's grant programs is predicated upon the grantors' satisfaction that the funds provided are being spent as intended and the grantors' intent to continue the programs.

11. Insurance and Related Activities

The District is exposed to various forms of loss of assets associated with the risks of fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, etc. Each of these risk areas are covered through the purchase of commercial insurance. The District has purchased certain policies which are retrospectively rated, which includes workers' compensation insurance.

12. 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. To obtain insurance for errors and omissions, and general liability coverage, the District participates in the Kentucky School Boards Insurance Trust Liability Insurance Fund. These public entity risk pools operate as common risk management and insurance programs for all school districts and other tax supported educational agencies of Kentucky who are members of the Kentucky School Boards Association. The District pays an annual premium to each fund for coverage. The Liability Insurance fund pays insurance premiums of the participating members established by the insurance carrier. The Trust can terminate coverage if it is unable to obtain acceptable excess general liability coverage and for any reason by giving ninety (90) days' notice. In the event the Trust terminated coverage, any amount remaining in the Fund (after payment of operational and administrative costs and claims for which coverage was provided) would be returned to the member on a pro rata basis.

The District is self-insured for unemployment insurance benefits. The District reimburses the state for any claims paid. The District purchases workers' compensation insurance through the Kentucky School Boards Insurance Trust. In addition, the District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

13. COBRA

Under COBRA, employers are mandated to notify terminated employees of available continuing insurance coverage. Failure to comply with this requirement may put the District at risk for a substantial loss (contingency).

14. Transfer of Funds

The following transfers were made during the year:

<u>Type</u>	<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
Operating	General	Special Revenue	Technology	\$ 133,513
Operating	General	Special Revenue	Community Education	5,000
Operating	General	Food Service	Operating	39,525
Operating	Special Revenue District Activities	Special Revenue	Technology Matching	461,212
Operating	Building	Construction	Construction	12,869,708
Operating	Building	General	Operating	572,106
Operating	Capital Outlay	General	Operating	2,037,672
Operating	Building	Debt Service	Debt Service	17,257,739
Operating	Construction	General	Operating	6,101,323
Operating	Daycare	General	Operating	2,356,122
Operating	Food Service	General	Indirect Costs	269,177
Operating	Construction	Debt Service	Debt Service	203,493

Notes to Basic Financial Statements--Continued

Oldham County School District

June 30, 2024

15. On-Behalf Payments

For the year ended June 30, 2024 total payments of \$33,800,422 were made for life insurance, health insurance, KTRS matching and administrative fees by the Commonwealth of Kentucky on behalf of the District. These payments were recognized as on-behalf payments and recorded in the appropriate revenue and expense accounts on the statement of activities.

Retirement contributions to TRS	\$ 17,735,378
Health insurance and other payroll-related payments	13,966,195
Other post-employment benefits	1,493,092
Debt service	400,600
Technology	<u>205,157</u>
	<u>\$ 33,800,422</u>

REQUIRED SUPPLEMENTARY INFORMATION

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Oldham County School District
Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues				
Taxes	\$ 55,454,427	\$ 55,454,427	\$ 57,892,130	\$ 2,437,703
Earnings on investments	500,000	500,000	2,454,455	1,954,455
State sources	70,466,350	70,466,350	70,767,402	301,052
Federal sources	305,000	305,000	388,350	83,350
Other sources	300,894	300,894	515,085	214,191
Total Revenues	127,026,671	127,026,671	132,017,422	4,990,751
Expenditures				
Instruction	83,998,750	83,998,750	81,306,748	2,692,002
Student support services	9,402,234	9,402,234	9,922,832	(520,598)
Instructional staff support services	5,213,883	5,213,883	4,477,056	736,827
District administrative support services	3,316,667	3,316,667	3,005,986	310,681
School administrative support services	8,182,164	8,182,164	8,767,234	(585,070)
Business support services	6,722,017	6,722,017	5,447,064	1,274,953
Plant operations and maintenance	10,977,203	10,977,203	11,225,697	(248,494)
Transportation	8,478,683	8,478,683	7,418,655	1,060,028
Community services	4,600	4,600	17,845	(13,245)
Facility acquisition and construction	1,322,071	1,322,071	1,146,367	175,704
Contingency	17,000,000	17,000,000	-	17,000,000
Total Expenditures	154,618,272	154,618,272	132,735,484	21,882,788
Deficit of Revenues Over (Under) Expenditures	(27,591,601)	(27,591,601)	(718,062)	26,873,539
Other Financing Sources/(Uses)				
Proceeds from sale of assets	5,500	5,500	116,923	111,423
Operating transfers in	2,993,294	2,993,294	11,241,787	8,248,493
Operating transfers out	(5,000)	(5,000)	(178,038)	(173,038)
Total Other Financing Sources/(Uses)	2,993,794	2,993,794	11,180,672	8,186,878
Net Change in Fund Balance	(24,597,807)	(24,597,807)	10,462,610	35,060,417
Fund Balance, July 1, 2023	24,597,806	24,597,806	24,597,806	-
Fund Balance, June 30, 2024	\$ (1)	\$ (1)	\$ 35,060,416	\$ 35,060,417

See Independent Auditors' Report

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Special Revenue Fund
Oldham County School District
Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
Revenues				
State sources	\$ 2,631,185	\$ 2,631,185	\$ 2,668,087	\$ 36,902
Federal sources	4,268,721	4,268,721	6,677,670	2,408,949
Other sources	57,975	57,975	47,989	(9,986)
Total Revenues	6,957,881	6,957,881	9,393,746	2,435,865
Expenditures				
Instruction	3,664,218	3,664,218	4,422,250	(758,032)
Student support services	838,023	838,023	870,666	(32,643)
Instructional staff support services	2,926,817	2,926,817	2,339,939	586,878
District administrative support services	-	-	112,308	(112,308)
Day Care Operation	-	-	2,366,096	(2,366,096)
Community services	160,911	160,911	160,297	614
Total Expenditures	7,589,969	7,589,969	10,271,556	(2,681,587)
Deficit of Revenues Over (Under) Expenditures	(632,088)	(632,088)	(877,810)	(245,722)
Other Financing Sources/(Uses)				
Transfers in	632,119	632,119	694,338	62,219
Total Other Financing Sources/(Uses)	632,119	632,119	694,338	62,219
Net Change in Fund Balance	31	31	(183,472)	(183,503)
Fund Balance, July 1, 2023	183,472	183,472	183,472	-
Fund Balance, June 30, 2024	\$ 183,503	\$ 183,503	\$ -	\$ (183,503)

See Independent Auditors' Report

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Building Fund
Oldham County School District
Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes	\$ 18,185,176	\$ 18,185,176	\$ 18,185,176	\$ -
State sources	5,205,144	5,205,144	5,205,144	-
Total Revenues	23,390,320	23,390,320	23,390,320	-
Expenditures				
District administrative support services	252,300	252,300	-	252,300
Facility acquisition and construction	6,132,581	6,132,581	-	6,132,581
Total Expenditures	6,384,881	6,384,881	-	6,384,881
Excess of Revenues Over (Under) Expenditures	17,005,439	17,005,439	23,390,320	6,384,881
Other Financing Sources/(Uses)				
Transfers out	(17,257,739)	(17,257,739)	(30,699,553)	(13,441,814)
Total Other Financing Sources/(Uses)	(17,257,739)	(17,257,739)	(30,699,553)	(13,441,814)
Net Change in Fund Balance	(252,300)	(252,300)	(7,309,233)	(7,056,933)
Fund Balance, July 1, 2023	16,012,655	16,012,655	16,012,655	-
Fund Balance, June 30, 2024	\$ 15,760,355	\$ 15,760,355	\$ 8,703,422	\$ (7,056,933)

See Independent Auditors' Report

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Construction Fund
Oldham County School District
Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Earnings on investments	\$ 39,438	\$ 39,438	\$ 643,408	\$ 603,970
Other sources	(486,985)	(486,985)	-	486,985
Total Revenues	(447,547)	(447,547)	643,408	1,090,955
Expenditures				
Facility acquisition and construction	80,150,830	80,150,830	29,579,850	50,570,980
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	80,150,830	80,150,830	29,579,850	50,570,980
Deficit of Revenues Over (Under) Expenditures	(80,598,377)	(80,598,377)	(28,936,442)	51,661,935
Other Financing Sources/(Uses)				
Loan and bond proceeds from refunds	57,635,003	57,635,003	18,742,889	(38,892,114)
Operating transfers in	29,472,657	29,472,657	12,869,708	(16,602,949)
Operating transfers out	(1,742,888)	(1,742,888)	(6,304,816)	(4,561,928)
Total Other Financing Sources/(Uses)	85,364,772	85,364,772	25,307,781	(60,056,991)
Net Change in Fund Balance	4,766,395	4,766,395	(3,628,661)	(8,395,056)
Fund Balance, July 1, 2023	17,172,008	17,172,008	17,172,008	-
Fund Balance, June 30, 2024	<u>\$ 21,938,403</u>	<u>\$ 21,938,403</u>	<u>\$ 13,543,347</u>	<u>\$ (8,395,056)</u>

See Independent Auditors' Report

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Debt Service Fund
Oldham County School District
Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues				
State sources	\$ 400,600	\$ 400,600	\$ 400,600	\$ -
Total Revenues	400,600	400,600	400,600	-
Expenditures				
Debt Service				-
Principal	17,658,339	17,658,339	13,215,000	4,443,339
Interest	-	-	4,443,339	(4,443,339)
Other	-	-	347,023	(347,023)
Total Expenditures	17,658,339	17,658,339	18,005,362	(347,023)
Deficit of Revenues Over (Under) Expenditures	(17,257,739)	(17,257,739)	(17,604,762)	347,023
Other Financing Sources/(Uses)				
Proceeds of revenue refunding bonds			5,795,668	5,795,668
Refinanced bond			(5,652,138)	(5,652,138)
Transfers in	17,257,739	17,257,739	17,461,232	203,493
Total Other Financing Sources/(Uses)	17,257,739	17,257,739	17,604,762	347,023
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1, 2023	377,132	377,132	377,132	-
Fund Balance, June 30, 2024	\$ 377,132	\$ 377,132	\$ 377,132	\$ -

See Independent Auditors' Report

Schedule of District's Proportionate Share of the Net Pension Liability – County Employees Retirement System

Oldham County School District

Year Ended June 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.1699360%	0.6321840%	0.591895%	0.656079%	0.639930%	0.647581%	0.647577%	0.666663%	0.666661%	0.654827%
District's proportionate share of the net pension liability	\$ 37,405,998	\$ 45,700,667	\$ 37,737,949	\$ 50,320,716	\$ 45,006,562	\$ 39,439,657	\$ 37,904,673	\$ 32,823,925	\$ 28,663,271	\$ 21,245,000
Total net pension liability	\$ 6,416,508,407	\$ 7,229,013,496	\$ 6,375,784,388	\$ 7,699,917,211	\$ 7,033,044,552	\$ 6,090,304,793	\$ 5,853,307,482	\$ 4,923,618,237	\$ 4,299,525,565	\$ 3,244,377,000
District's covered-employee payroll	\$ 20,385,653	\$ 17,489,693	\$ 15,159,918	\$ 17,055,476	\$ 16,379,033	\$ 19,356,255	\$ 18,558,799	\$ 16,066,071	\$ 15,022,785	*
District's proportionate share of the net pension liability as a percentage of employee covered payroll	183.49%	261.30%	248.93%	295.04%	274.78%	203.76%	204.24%	204.31%	190.80%	140.25%
Plan fiduciary net position as a percentage of the total pension liability	57.48%	52.42%	57.33%	47.81%	50.45%	53.54%	53.30%	55.50%	59.97%	68.80%

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of District Contributions – County Employees Retirement System

Oldham County School District

Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 4,540,950	\$ 4,216,444	\$ 3,509,603	\$ 2,964,739	\$ 3,303,691	\$ 3,518,205	\$ 2,615,773	\$ 2,418,417	\$ 2,740,874	\$ 2,668,047
Contributions in relation to the contractually required contributions	<u>(4,540,950)</u>	<u>(4,216,444)</u>	<u>(3,509,603)</u>	<u>(2,964,739)</u>	<u>(3,303,691)</u>	<u>(3,518,205)</u>	<u>(2,615,773)</u>	<u>(2,418,417)</u>	<u>(2,740,874)</u>	<u>(2,668,047)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 19,455,654	\$ 20,385,653	\$ 17,489,693	\$ 15,159,918	\$ 17,055,476	\$ 16,379,033	\$ 19,356,255	\$ 18,558,799	\$ 16,066,071	\$ 15,022,785
Contributions as a percentage of covered-employee payroll	23.34%	20.68%	20.07%	19.56%	19.37%	21.48%	13.51%	13.03%	17.06%	17.76%

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of Commonwealth of Kentucky's Proportionate Share of the Net Pension Liability – Teachers Retirement System

Oldham County School District

Year Ended June 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the District	<u>294,846,515</u>	<u>313,286,102</u>	<u>242,875,664</u>	<u>258,779,560</u>	<u>242,291,849</u>	<u>227,259,413</u>	<u>464,913,222</u>	<u>506,558,743</u>	<u>394,337,603</u>	<u>327,037,306</u>
Total	<u>\$ 294,846,515</u>	<u>\$ 313,286,102</u>	<u>\$ 242,875,664</u>	<u>\$ 258,779,560</u>	<u>\$ 242,291,849</u>	<u>\$ 227,259,413</u>	<u>\$ 464,913,222</u>	<u>\$ 506,558,743</u>	<u>\$ 394,337,603</u>	<u>\$ 327,037,306</u>
District's covered-employee payroll	\$ 53,372,768	\$ 61,543,406	\$ 59,753,336	\$ 58,566,334	\$ 56,168,718	\$ 51,078,570	\$ 48,217,118	\$ 46,425,199	*	*
District's proportionate share of the net pension liability as a percentage of employee covered payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan fiduciary net position as a percentage of the total pension liability	57.68%	56.41%	65.59%	58.27%	58.76%	69.27%	39.83%	35.22%	42.49%	45.59%

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of Commonwealth of Kentucky's Contributions – Teachers Retirement System

Oldham County School District

Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 2,146,505	\$ 2,287,243	\$ 2,280,873	\$ 2,012,148	\$ 2,020,581	\$ 1,940,435	\$ 1,921,435	\$ 1,862,857	\$ 1,878,864	\$ 1,457,974
Contributions in relation to the contractually required contributions	<u>(2,146,505)</u>	<u>(2,287,243)</u>	<u>(2,280,873)</u>	<u>(2,012,148)</u>	<u>(2,020,581)</u>	<u>(1,940,435)</u>	<u>(1,921,435)</u>	<u>(1,862,857)</u>	<u>(1,878,864)</u>	<u>(1,457,974)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 61,711,432	\$ 53,372,768	\$ 61,543,406	\$ 59,753,336	\$ 58,566,334	\$ 56,168,718	\$ 51,078,570	\$ 48,217,118	\$ 46,425,199	*
Contributions as a percentage of covered-employee payroll	3.48%	4.29%	3.71%	3.37%	3.45%	3.45%	3.76%	3.86%	4.05%	*

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of the District's Proportionate Share of the Collective Net OPEB Liability – County Employees Retirement System - MIF

Oldham County School District

Year Ended June 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the collective trust OPEB liability	0.582941%	0.632266%	0.591756%	0.655894%	0.639766%	0.647556%	0.647577%	*	*	*
District's proportionate share of the collective net OPEB liability (asset)	\$ (804,847)	\$ 11,426,725	\$ 11,328,873	\$ 15,837,845	\$ 10,760,576	\$ 11,497,228	\$ 13,018,513	\$ 10,211,333	*	*
State's proportionate share of the collective net OPEB liability (asset) associated with the District	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*	*
Total net OPEB liability (asset)	\$ (804,847)	\$ 11,426,725	\$ 11,328,873	\$ 15,837,845	\$ 10,760,576	\$ 11,497,228	\$ 13,018,516	\$ 10,211,333	*	*
District's covered employee payroll	\$ 17,998,814	\$ 17,489,693	\$ 15,159,918	\$ 17,055,476	\$ 16,379,033	\$ 19,356,255	\$ 18,558,799	\$ 16,066,071	*	*
District's proportionate share of the collective net OPEB liability (asset) as a percentage of its covered-employee payroll	-4.47%	65.33%	74.73%	92.86%	65.70%	59.40%	70.15%	63.59%	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	104.23%	56.41%	62.91%	51.67%	60.44%	57.62%	52.40%	52.40%	*	*

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of the District Contributions – OPEB County Employees Retirement System - MIF

Oldham County School District

Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ -	\$ 604,760	\$ 958,219	\$ 731,200	\$ 814,798	\$ 548,272	\$ 754,361	\$ 748,836	\$ 745,775	*
Contributions in relation to the contractually required contributions	<u>-</u>	<u>(604,760)</u>	<u>(958,219)</u>	<u>(731,200)</u>	<u>(814,798)</u>	<u>(548,272)</u>	<u>(754,361)</u>	<u>(748,836)</u>	<u>(745,775)</u>	<u>*</u>
Contribution Deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>*</u>
District's covered payroll	\$ 19,455,654	\$ 17,998,814	\$ 17,489,693	\$ 15,159,918	\$ 17,055,476	\$ 16,370,033	\$ 19,356,255	\$ 18,558,799	\$ 16,066,071	*
Contributions as a percentage of covered-employee payroll	0.000%	3.360%	5.48%	4.82%	4.78%	5.18%	3.90%	4.03%	4.64%	*

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of the District's Proportionate Share of the Collective Net OPEB Liability – Teachers Retirement System – MIF

Oldham County School District

Year Ended June 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the collective trust OPEB liability	0.906217%	1.319879%	0.982234%	0.967100%	0.936772%	0.887195%	0.901353%	*	*	*
District's proportionate share of the collective net OPEB liability	\$ 22,072,000	\$ 32,766,000	\$ 21,076,000	\$ 24,407,000	\$ 27,417,000	\$ 30,783,000	\$ 32,140,000	\$ 31,821,000	*	*
State's proportionate share of the collective net OPEB liability (asset) associated with the District	\$ 18,604,000	\$ 10,764,000	\$ 17,116,000	\$ 19,551,000	\$ 22,141,000	\$ 26,529,000	\$ 26,254,000	\$ 25,993,000	*	*
Total net OPEB liability	\$ 40,676,000	\$ 43,530,000	\$ 38,192,000	\$ 43,958,000	\$ 49,558,000	\$ 57,312,000	\$ 58,394,000	\$ 58,814,000	*	*
District's covered employee payroll	\$ 53,372,768	\$ 61,543,406	\$ 59,753,336	\$ 58,566,334	\$ 56,168,718	\$ 51,078,570	\$ 48,217,118	\$ 46,425,199	*	*
District's proportionate share of the collective net OPEB liability as a percentage of its covered-employee payroll	41.35%	53.24%	35.28%	41.67%	48.81%	60.27%	66.66%	68.54%	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	52.97%	47.75%	51.74%	39.08%	32.58%	25.54%	21.18%	*	*	*

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of the District Contributions OPEB – Teachers Retirement System – MIF

Oldham County School District

Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 1,788,439	\$ 2,287,243	\$ 2,291,835	\$ 2,021,505	\$ 2,011,528	\$ 1,580,373	\$ 1,938,662	\$ 1,921,436	\$ 1,544,272	*
Contributions in relation to the contractually required contributions	<u>(1,788,439)</u>	<u>(2,287,243)</u>	<u>(2,291,835)</u>	<u>(2,021,505)</u>	<u>(2,011,528)</u>	<u>(1,580,373)</u>	<u>(1,938,662)</u>	<u>(1,921,436)</u>	<u>(1,544,272)</u>	*
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>*</u>
District's covered payroll	\$ 61,711,432	\$ 53,372,768	\$ 61,543,406	\$ 59,753,336	\$ 58,566,334	\$ 56,168,718	\$ 51,078,570	\$ 48,217,118	\$ 46,425,199	*
Contributions as a percentage of covered-employee payroll	2.898%	4.285%	3.72%	3.38%	3.43%	2.81%	3.80%	3.98%	3.33%	*

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Schedule of the District Proportionate Share of the Net OPEB Liability – Teachers Retirement System – LIF

Oldham County School District

Year Ended June 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the collective trust OPEB liability	0%	0%	0%	0%	0%	0%	0%	0%	*	*
District's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*	*
State's proportionate share of the collective net OPEB liability (asset) associated with the District	\$ 460,000	\$ 535,000	\$ 228,000	\$ 591,000	\$ 514,000	\$ 455,000	\$ 351,000	\$ 241,000	*	*
Total net OPEB liability	\$ 460,000	\$ 535,000	\$ 228,000	\$ 591,000	\$ 514,000	\$ 455,000	\$ 351,000	\$ 241,000	*	*
District's covered employee payroll	\$ 57,176,479	\$ 61,543,406	\$ 59,753,336	\$ 58,566,334	\$ 56,168,718	\$ 51,078,570	\$ 48,217,118	\$ 46,425,199	*	*
District's proportionate share of the collective net OPEB liability as a percentage of its covered-employee payroll	0%	0%	0%	0%	0%	0%	0%	0%	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	76.91%	73.97%	89.15%	71.57%	73.40%	74.97%	79.99%	*	*	*

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See Independent Auditors' Report

Schedule of the District OPEB Contributions – Teachers Retirement System – LIF

Oldham County School District

Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*	*	*
Contributions in relation to the contractually required contributions	-	-	-	-	-	-	-	*	*	*
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	*	*	*
District's covered-employee payroll	\$ 61,711,432	\$ 57,176,479	\$ 61,543,406	\$ 59,753,336	\$ 58,566,334	\$ 56,168,178	\$ 51,078,570	\$ 48,217,118	\$ 46,425,199	*
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	*

* The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report

Oldham County School District

Year Ended June 30, 2024

Pension

Changes of benefit terms: The following changes were made by the Kentucky Legislature and reflected in the valuation performed as of June 30 listed below: 2014: As cash balance plan was introduced for member whose participation date is on or after January 1, 2014.

Changes of assumption: The following changes were made by the Kentucky Legislature and reflected in the valuation performed as of June 30 listed below:

2015: The assumed investment rate of return was decreased from 7.75% to 7.50%. 2015: The assumed rate of inflation was reduced from 3.50% to 3.25%.

2015: The assumed rate of wage inflation was reduced from 1.00% to 0.75%. 2015: Payroll growth assumption was reduced from 4.50% to 4.00%.

2015: The mortality table used for active members is RP-2000 Combined Mortality table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females).

2015: For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set back 1 year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back 4 years for males) is used for the period after disability retirement. There is some margin in the current mortality tables for possible future improvement in mortality rates and that margin will be reviewed again when the next experience investigation is conducted.

2015: The assumed rates of Retirement, Withdrawal and Disability were updated to more accurately reflect experience.

2017: The assumed investment rate of return was decreased from 7.50% to 6.25%.

2017: The assumed rate of inflation was reduced from 3.25% to 2.30%.

2017: The assumed rate of salary growth was reduced from 4.00% to 3.05%.

OPEB

Changes in assumptions: None

2018: Updated health care trend rates were implemented

Oldham County School District

Year Ended June 30, 2024

Pension:

Changes of benefit terms: A new benefit tier was added for members joining the System on and after January 1, 2022.

Changes of assumption: In 2014, the calculation of the Single Equivalent Interest Rate (“SEIR”) resulted in an assumption change from 5.16% to 5.23%.

Changes of assumption: In 2015, the calculation of the Single Equivalent Interest Rate (“SEIR”) resulted in an assumption change from 5.23% to 4.88%.

Changes of assumption: In the 2016 valuation, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In the 2016 valuation, the Assumed Salary Scale, Price Inflation, and Wage Inflation were adjusted to reflect a decrease. In addition, the calculation for the Single Equivalent Interest Rate (SEIR) resulted in an assumption change from 4.88% to 4.20%.

Changes of assumption: In 2017, the calculation of the Single Equivalent Interest Rate (“SEIR”) resulted in an assumption change from 4.20% to 4.49%.

Changes of assumption: In 2018, the calculation of the Single Equivalent Interest Rate (“SEIR”) resulted in an assumption change from 4.49% to 7.50%.

Changes of assumption: In the 2020 experience study, rates of withdrawal, retirement, disability, mortality and rates of salary increases were adjusted to reflect actual experience more close. The expectation of mortality was changed to the Pub2010 Mortality Tables projected generationally with MP-2020 with various set forwards, set-backs, and adjustments for each of the groups; service retirees, contingent annuitants, disabled retirees, and actives. The assumed long-term investment rate of return was changed from 7.50% to 7.10% and the price inflation assumption was lowered from 3% to 2.50%. In addition, the calculation of the SEIR results in an assumption.

OPEB MIF

Changes in benefit terms - None

The Health Trust is not funded based on actuarially determined contribution, but instead is funded based on statutorily determined amounts as noted in the assumed asset allocation for MIF.

Continued

Oldham County School District

Year Ended June 30, 2024

OPEB LIF:

Changes of benefit terms - None.

Methods and assumptions used in the actuarially determined contributions - The actuarially determined contribution rates, as a percentage of payroll, used to determine the actuarially determined contribution amounts in the Schedule of Employer Contributions are calculated as the of the indicated valuation date. The following actuarial methods and assumptions (from the indicated actuarial valuations) were used to determine contribution rates reported in that schedule for the year ending June 30, 2023:

Valuation date	June 30, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	25 years
Asset valuation method	Five-year smoothed value
Inflation	3.00%
Real wage growth	0.50%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% - 7.20%
Discount rate	7.50%

OTHER SUPPLEMENTARY INFORMATION

OLDHAM COUNTY SCHOOL DISTRICT
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS AND DUE TO STUDENT/GROUPS
SCHOOL ACTIVITY FUNDS
For the Year Ended June 30, 2024

	Cash				Cash	Accounts	Accounts	Due To
	Balance		Disburse-	Transfers	Balance	Receivable	Payable	Students
	7/1/2023	Receipts	ments		6/30/2024	6/30/2024	6/30/2024	& Others
								6/30/2024
High Schools								
Arvin Career Center	\$ 1,994	\$ 50,393	\$ (48,804)		\$ 3,583			\$ 3,583
North Oldham	303,367	973,573	(979,777)		297,163	\$ 844	\$ 53,730	244,277
Oldham	224,894	1,055,743	(1,082,662)		197,975		8,676	189,299
South Oldham	190,314	1,370,253	(1,347,110)		213,457	204	14,131	199,530
Middle Schools								
East Oldham	54,925	292,343	(264,440)		82,828		21,781	61,047
North Oldham	108,725	485,940	(468,292)		126,373			126,373
Oldham County	114,871	320,913	(316,696)		119,088		2,502	116,586
South Oldham	64,705	305,893	(300,711)		69,887			69,887
Elementary Schools								
Buckner	2,123	84,367	(83,939)		2,551			2,551
Camden	5,891	54,166	(54,038)		6,019			6,019
Centerfield	10,825	113,729	(110,720)		13,834			13,834
Crestwood	24,048	77,241	(83,759)		17,530			17,530
Goshen	17,924	-	-		17,924			17,924
Harmony	6,851	90,315	(89,481)		7,685			7,685
Kenwood	11,291	126,905	(124,349)		13,847			13,847
Lagrange	10,888	71,047	(64,802)		17,133			17,133
Locust Grove	19,437	114,531	(114,517)		19,451			19,451
Total	\$ 1,173,073	\$ 5,587,352	\$ (5,534,097)	\$ -	\$ 1,226,328	\$ 1,048	\$ 100,820	\$ 1,126,556

OLDHAM COUNTY SCHOOL DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND DUE TO STUDENTS
ARVIN CAREER CENTER SCHOOL ACTIVITY FUNDS
For the Year Ended June 30, 2024

	Cash Balance 7/1/2023	Receipts	Disburse- ments	Transfers	Cash Balance 6/30/2024	Due To Students & Others 6/30/2024
Automotive Field Trips	\$ 30				\$ 30	\$ 30
Biomedical Field Trips	189				189	189
Culinary Field Trips	60	\$ 340	\$ (395)		5	5
Engineering Field Trips	50				50	50
General Fund	3				3	3
Indigent Fund	188				188	188
HOSA	193	6,480	(6,083)		590	590
Automotive Club	324		(56)		268	268
FBLA	234				234	234
Nursing Field Trips	124	270	(394)		-	-
OCBE Transfer Acc	-	41,472	(41,431)		41	41
Staff Vend/Hospitality	22	1,060	(20)		1,062	1,062
Start Up Cash Fund	-	400	(400)		-	-
Student Vending	550	371			921	921
YATP	27		(26)		1	1
	<u>\$ 1,994</u>	<u>\$ 50,393</u>	<u>\$ (48,805)</u>	<u>\$ -</u>	<u>\$ 3,582</u>	<u>\$ 3,582</u>

OLDHAM COUNTY SCHOOL DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND DUE TO STUDENTS
NORTH OLDHAM HIGH SCHOOL ACTIVITY FUNDS
For the Year Ended June 30, 2024

	Cash				Cash	Accounts	Accounts	Due To
	Balance		Disburse-	Transfers	Balance	Receivable	Payable	Students
	7/1/2023	Receipts	ments		6/30/2024	6/30/2024	6/30/2024	& Others
								6/30/2024
Academic Team Club	\$ 188	\$ 1,826	\$ (1,615)		\$ 399			\$ 399
Archery	3,774	22,921	(18,328)		8,367			8,367
Athletics	58,214	49,000	(61,565)	\$ 799	46,448		\$ 42,218	4,230
Band	1,797	4,812	(6,023)		586			586
Band - Marching	2,695	5,580	(8,095)		180			180
Baseball	683	25,487	(13,987)		12,183			12,183
Basketball - Boys	12,001	22,434	(28,439)		5,996		1,552	4,444
Basketball - Girls	4,131	13,505	(7,458)		10,178			10,178
Bass Fishing	985	374	(257)		1,102			1,102
Beta Club	439	2,469	(2,995)	87	-			-
Blankets of Love	-	25			25			25
Broadcast	986			(986)	-			-
Cast	590	4,157	(3,267)		1,480			1,480
Chamber Music Club	34				34			34
Cheerleading	2,406	22,091	(15,760)		8,737		4,686	4,051
Chorus	6,041	1,816	(7,025)		832			832
Class of 2023	5,135			(5,135)	-			-
Class of 2024	6,651	30,060	(35,459)	5,135	6,387		897	5,490
Class of 2025	845	21,426	(7,641)		14,630			14,630
Class of 2026	-	639	(90)		549			549
Cross Country - Boys	17,268	8,050	(11,818)	7,052	20,552			20,552
Cross Country - Girls	1,894	10,734	(19,213)	6,772	187			187
Dance Team	8,820	822	(5,686)		3,956		3,231	725
Debate	500		(150)		350			350
Drama/creative writing	916		(774)		142			142
Environmental Club	118			(118)	-			-
FCA	130				130			130
Field Hockey	4,238	16,038	(19,997)		279		121	158
Field Trips	2,541	5,270	(5,118)		2,693			2,693
Football	39,580	26,851	(57,746)		8,685		250	8,435
From Scratch	1,821	330	(300)		1,851			1,851
Gay/Straight Alliance	176			(176)	(0)			(0)
General	6,840	1,164	(551)	1,505	8,958			8,958
Girl Up	3,454	1,584	(513)		4,525			4,525
Golf - Boys	68	4,165	(2,653)		1,580			1,580
Golf - Girls	260	4,585	(2,778)		2,067			2,067
KYA/KUNA Y Clubs	3,201	26,133	(28,465)		869			869
Lacrosse - Boys	4,761	10,893	(15,276)		378			378
Lacrosse - Girls	5,763	8,300	(6,448)		7,615			7,615
Math/Science Honor Society	189	1,055	(767)		477			477
Multicultural Club	299			(299)	-			-
Music Theatre Troupe	5,604	7,593	(4,580)		8,617			8,617
National Arts Society	1,274				1,274			1,274
National Honor Society	12,250	215	(360)		12,105			12,105
OCBE transfer account	-	431,228	(430,978)		250			250
Photography club	13			(13)	-			-
Rumble Cross Country	-	48,513	(34,690)	(13,823)	-			-
Soccer - Boys	12,706	11,046	(15,558)		8,194	40		8,234
Soccer - Girls	3,339	3,459	(5,572)		1,226			1,226
Softball	6,717	8,650	(9,010)		6,357			6,357
Spanish Club	47				47			47
Speech Club	1,124	678	(667)		1,135			1,135
Start Up Cash Fund	-	2,500	(2,500)		-			-
STEAM	1,366	605	(402)		1,569			1,569
Swim Team	3,829	9,831	(6,762)		6,898			6,898
Tennis - Boys	4,214	6,136	(6,301)	1,000	5,049			5,049
Track - Boys	18,239	15,372	(6,883)	608	27,336			27,336
Track - Girls	158	23,589	(17,289)	(608)	5,850	804		6,654
Tri M Music Honor	741				741			741
Vending - Student	5,790	439			6,229			6,229
Vending - Teacher/Staff	236	1,338	(280)		1,294			1,294
Volleyball	9,450	20,945	(25,657)		4,738		775	3,963
Winter Guard	941	5,890	(4,973)		1,858			1,858
Wrestling	4,897	20,950	(11,056)	(1,799)	12,991			12,991
Total	\$ 303,367	\$ 973,573	\$ (979,777)	\$ 0	\$ 297,163	\$ 844	\$ 53,730	\$ 244,277

OLDHAM COUNTY SCHOOL DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND DUE TO STUDENTS
OLDHAM COUNTY HIGH SCHOOL ACTIVITY FUNDS
For the Year Ended June 30, 2024

	Cash				Cash	Accounts	Accounts	Due To
	Balance		Disburse-	Transfers	Balance	Receivable	Payable	Students
	7/1/2023	Receipts	ments		6/30/2024	6/30/2024	6/30/2024	& Others
								6/30/2024
Academic Team	\$ 76	\$ 680	\$ (489)		\$ 267			\$ 267
Archery	331	8,807	(7,831)		1,307			1,307
Art Club	55	652	(492)		215			215
Athletics	4,548	111,044	(112,826)	\$ (370)	2,396			2,396
Baseball	4,600	10,200	(11,192)		3,608			3,608
Basketball - Boys	676	11,375	(6,490)		5,561			5,561
Basketball - Girls	8,009	27,347	(24,008)		11,348			11,348
Bass Fishing	2,938	10,310	(10,723)	(77)	2,448			2,448
Beta Club	1,652	4,739	(4,192)		2,199			2,199
Broadcast Journalism	258			(258)	-			-
Canstruction	114			(114)	-			-
Cash on Hand	-	2,000	(2,000)		-			-
Cheerleading	23,485	80,850	(83,806)		20,529		\$ 8,526	12,003
Choir	9,437	8,461	(13,971)		3,927			3,927
Class of 2024	22,360	43,224	(57,759)	(7,825)	-			-
Class of 2025	-	16,065	(14,812)	11,754	13,007			13,007
Class of 2026				1,964	1,964			1,964
Class of 2027	-		50	1,964	2,014			2,014
Cross Country	4,809	30,185	(29,297)		5,697			5,697
Dance Team	6,866	46,681	(45,067)		8,480			8,480
Elevator Key	347	185	(65)		467			467
FBLA Club	397			(397)	-			-
FFA	3,516	10,778	(9,358)		4,936		150	4,786
Football	76	24,657	(15,693)		9,040			9,040
General	66	869		2,652	3,587			3,587
Golf - Boys	2,468	7,275	(6,437)		3,306			3,306
Golf - Girls	743	1,633	(2,376)		-			-
GSA/Pride Alliance	59				59			59
Industrial Art Club	1,767	4,967	(5,355)		1,379			1,379
KYA-KUNA Y Clubs	1,909	32,985	(33,295)		1,599			1,599
Lacrosse - Boys	588	650	(1,335)	97	-			-
Lacrosse - Girls	5,593		(5,203)		390			390
Literary Club	821			(821)	-			-
National Honor Society	925	2,115	(2,025)		1,015			1,015
OCBE Transfer	-	413,933	(413,933)		-			-
Pep Club	12,933	32,470	(24,065)	(7,857)	13,481			13,481
Scholarship/Indigent	8,065	2,000	(68)		9,997			9,997
Science Club	1,061			(1,061)	-			-
Sigma Sigma Gamma	940	5,879	(4,499)		2,320			2,320
SHPE	-	291	(119)		172			172
Soccer - Boys	5,407	11,197	(13,610)		2,994			2,994
Soccer - Girls	2,549	5,007	(7,592)	36	-			-
Softball	11,304	30,565	(32,892)	(78)	8,899			8,899
Swim Team	1,047	10,600	(8,920)		2,727			2,727
Tennis	778	3,482	(4,291)	31	-			-
Theatre Production	6,051	7,049	(7,475)		5,625			5,625
Track	13,904	9,695	(12,638)	360	11,321			11,321
Vending - Faculty	342	6,937	(6,664)		615			615
Vending - Student	982	1,592	(2,308)		266			266
Volleyball	1,714	9,838	(11,057)		495			495
Wrestling	4,270	6,344	(9,704)		910			910
Yearbook	44,058	130	(16,780)		27,408			27,408
Total	\$ 224,894	\$ 1,055,743	\$ (1,082,662)	\$ -	\$ 197,975	\$ -	\$ 8,676	\$ 189,299

OLDHAM COUNTY SCHOOL DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND DUE TO STUDENTS
SOUTH OLDHAM HIGH SCHOOL ACTIVITY FUNDS
For the Year Ended June 30, 2024

	Cash Balance 7/1/2023	Receipts	Disburse- ments	Transfers	Cash Balance 6/30/2024	Accounts Receivable 6/30/2024	Accounts Payable 6/30/2024	Due To Students & Others 6/30/2024
Academic Team	\$ 155	\$ 240	\$ (375)		\$ 20			\$ 20
Athletics	7,160	173,516	(159,075)	\$ 3,240	24,841			24,841
Background Checks	210	460	(300)	130	500			500
Baseball	8,254	42,649	(44,193)		6,710			6,710
Basketball - Boys	2,789	17,030	(17,825)		1,994			1,994
Basketball - Girls	9,406	5,090	(12,427)		2,069			2,069
Beta Club	2,282	5,105	(6,688)		699			699
Cash on Hand	-	3,600	(3,600)		-			-
Cheerleading	3,033	91,689	(83,538)		11,184			11,184
Choral Music	1,587		(121)		1,466			1,466
Class of 2024	30,487	89,761	(93,395)	1,874	28,727			28,727
Class of 2025	2,050	17,675	(8,059)	(1,405)	10,261			10,261
Class of 2026	1,289	3,085	(542)	(469)	3,363			3,363
Class of 2027	-	330			330			330
Conclub	36				36			36
Cross Country	4,321	7,644	(9,547)		2,418			2,418
Dance Team	3,041	5,141	(6,424)		1,758			1,758
Debate	511	19,542	(16,525)		3,528		\$ 300	3,228
Drama/theatre	14,582	5,270	(12,733)	198	7,317			7,317
Faculty Fund	331	455	(335)		451			451
FCA	31		(26)		5			5
FCCLA Club	1,509	13,629	(13,501)		1,637			1,637
Field Hockey	11,135	15,208	(13,040)		13,303		3,995	9,308
Field Trips	39	100	(100)		39			39
Football	3,233	45,668	(40,460)		8,441		958	7,483
French Club	127	135			262			262
General	1,721	841	(340)		2,222			2,222
Golf Boys	1,384	13,438	(11,542)		3,280			3,280
Golf Girls	4,523	19,732	(13,316)	(125)	10,814		1,880	8,934
Interact Club	346				346			346
KYA/KUNA Y Clubs	1,549	40,147	(41,135)		561			561
Lacrosse - Boys	10,050	51,844	(55,230)	(1,280)	5,384		1,326	4,058
Lacrosse - Girls	1,779	16,417	(11,390)	(715)	6,091			6,091
Link Crew	949	3,360	(1,726)	(60)	2,523			2,523
Mu Alpha Theta	125	180	(210)		95			95
National Honor Society	1,498	3,220	(2,857)		1,861			1,861
Nat'l Arts Society	1,828	1,408	(1,328)		1,908			1,908
OCBE Transfer Acct	-	547,439	(547,439)		-			-
Ski Club	95	7,806	(7,048)		853			853
Soccer - Boys	14,773	6,408	(17,360)		3,821		3,000	821
Soccer - Girls	904	24,687	(25,144)		447			447
Softball	968	12,100	(10,962)		2,106			2,106
Spanish Club	226	320	(170)		376			376
Swim Team	4,545	12,243	(14,585)		2,203	204	1,316	1,091
Tennis - Boys	309	919	(1,078)		150			150
Tennis - Girls	763	1,763	(1,802)		724			724
The Dragon's Tale	2,055	3,050	(2,028)	300	3,377			3,377
Track	4,282	4,212	(4,480)		4,014			4,014
Vending - Snack	3,399	79			3,478			3,478
Vending - Soda	4,479		(768)		3,711			3,711
Vending - Teacher/Staff	2,533	5,089	(2,769)	(198)	4,655			4,655
Volleyball	1	839	(425)		415			415
We Care	7,417	1,500	(2,609)		6,308			6,308
Wrestling	10,215	28,190	(26,540)	(1,490)	10,375		1,356	9,019
Total	\$ 190,314	\$ 1,370,253	\$ (1,347,110)	\$ -	\$ 213,457	\$ 204	\$ 14,131	\$ 199,530

Combining Supplementary Information

Balance Sheet - Nonmajor Governmental Funds
Oldham County School District
June 30, 2024

	Capital Outlay Fund	District Activity Fund	School Activity Fund	Total Non-major Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,901,597	\$ 2,314,188	\$ 1,219,254	\$ 5,435,039
Total Assets	\$ 1,901,597	\$ 2,314,188	\$ 1,219,254	\$ 5,435,039
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 33,031	\$ 99,208	\$ 132,239
Due to other funds	-	1,780	-	1,780
Total Liabilities	-	34,811	99,208	134,019
Fund Balances				
Restricted:				
Capital expenditures	1,901,597	-	-	1,901,597
Other	-	2,275,816	1,120,046	3,395,862
Assigned:				
Future obligations	-	3,561	-	3,561
Total Fund Balances	1,901,597	2,279,377	1,120,046	5,301,020
Total Liabilities and Fund Balances	\$ 1,901,597	\$ 2,314,188	\$ 1,219,254	\$ 5,435,039

See Accompanying Notes to Financial Statements

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
Oldham County School District
June 30, 2024

	Capital Outlay Fund	District Activity Fund	School Activity Fund	Total Non-major Governmental Funds
Revenues				
Interest and investment earnings	\$ -	\$ 65,906	\$ -	\$ 65,906
Other state revenues	1,151,098	-	-	1,151,098
Tuition and fees	-	3,230,672	3,128,909	6,359,581
Other local	-	446,172	-	446,172
Total Revenues	1,151,098	3,742,750	3,128,909	8,022,757
Expenditures				
Instruction	-	3,581,220	3,114,368	6,695,588
Total Expenditures	-	3,581,220	3,114,368	6,695,588
Excess of Revenues Over Expenditures	1,151,098	161,530	14,541	1,327,169
Other Financing Sources (Uses)				
Operating transfers out	(2,037,672)	(461,212)	-	(2,498,884)
Total Other Financing Sources (Uses)	(2,037,672)	(461,212)	-	(2,498,884)
Net Change in Fund Balance	(886,574)	(299,682)	14,541	(1,171,715)
Fund Balance, July 1, 2023	2,788,171	2,579,059	1,105,505	6,472,735
Total Fund Balance, June 30, 2024	\$ 1,901,597	\$ 2,279,377	\$ 1,120,046	\$ 5,301,020

See Accompanying Notes to Financial Statements

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

**Schedule of Expenditures of Federal Awards
Oldham County School District
June 30, 2024**

	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U. S. Department of Education</u>				
Title I, Part A	84.010A	3100002-20		\$ 760
Title I, Part A	84.010A	3100002-21		10,257
Title I, Part A	84.010A	3100002-22		<u>362,531</u>
Program Total				373,548
Perkins Title I, Part C, Vocational	84.048	3100002-22		<u>72,787</u>
Program Total				72,787
Title II, Part A Improving Teacher Quality	84.367A	3230002-20		314
Title II, Part A Improving Teacher Quality	84.367A	3230002-21		4,736
Title II, Part A Improving Teacher Quality	84.367A	3230002-22		65,710
Title II, Part A Improving Teacher Quality	84.367A	3230002-23		<u>161,460</u>
Program Total				232,220
Title III - Immigrant	84.365A	3300002-21		4,752
Title III - English Language Learners	84.365A	3300002-22		2,155
Title III - English Language Learners	84.365A	3300002-23		<u>29,535</u>
Program Total				36,442
Special Education Cluster (IDEA)				
Special Education Grants to States (IDEA, Part B)	84.027A	3810002-22		400,233
Special Education Grants to States (IDEA, Part B)	84.027A	3810002-23		2,352,693
Special Education Preschool Grants (IDEA, Preschool)	84.173A	38000002-21		1,093
Special Education Preschool Grants (IDEA, Preschool)	84.173A	38000002-22		17,747
Special Education Preschool Grants (IDEA, Preschool)	84.173A	38000002-23		<u>45,802</u>
Total Special Education Cluster (IDEA)				2,817,568
ESSER III - Learning Loss	84.425U	4300002-21		155,855
ESSER III - ARP	84.425U	4300002-21		<u>112,308</u>
Program Total				268,163

Continued

**Schedule of Expenditures of Federal Awards--Continued
Oldham County School District
June 30, 2024**

	Federal CFDA Number	Pass Through Grantor's Number	Passed Through to Subrecipients	Federal Expenditures
<u>U. S. Department of Education</u>				
CRRSA ESSER Direct Services	84.425U	4200002		5,862
CRRSA ESSER State Set-aside	84.425U	4200002		44,821
Program Total				50,683
ARPA Childcare Sustainment	93.575			2,366,095
Total U.S. Department of Education passed through Kentucky Department of Education				\$ 6,217,506
<u>U. S. Department of Agriculture</u>				
Child Nutrition Cluster				
School Breakfast Program	10.553	7760005-22		\$ 1,016
School Breakfast Program	10.553	7760005-23		117,056
School Breakfast Program	10.553	7760005-24		430,342
National School Lunch Program	10.555	7750002-23		359,000
National School Lunch Program	10.555	7750002-24		1,542,032
National School Lunch Program - Commodities	10.555			185,854
Supply Chain Assistance	10.555	9980000-23		369,709
Summer Food Service Program for Children	10.559	7690024-23		23,532
Warehouse Storage Program	10.560	7700001-22		14,296
Total Child Nutrition Cluster				3,042,837
Child and Adult Care Food Program	10.558	7790021-23		2,829
Child and Adult Care Food Program	10.558	7800016-24		8,706
				11,535
Total U.S. Department of Agriculture passed through Kentucky Department of Education				\$ 3,054,372
Total Federal Expenditures			\$ -	\$ 9,271,878

See Notes to Schedule of Expenditures
of Federal Awards and Independent Auditors' Report

Notes to Schedule of Expenditures of Federal Awards

Oldham County School District

Year Ended June 30, 2024

NOTE 1--BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Oldham County School District under programs of the federal government for the year ended June 30, 2023 and is reported on the accrual basis of accounting. The information in this schedule is presented 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*. Because the schedule presents only a selected portion of the operations of Oldham County School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

NOTE 2--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3--FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair value of the commodities disbursed. For the year ended June 30, 2024, the District reported food commodities expended in the amount of \$185,854.

NOTE 4--INDIRECT COST RATE

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

NOTE 5--SUBRECIPIENTS

The District did not have any subrecipients during the year ended June 30, 2024.

Reports Required by the Single Audit Act

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



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

Members of the Board of Education
Oldham County School District
Crestwood, Kentucky

Report on Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Kentucky Public School Districts’ Audit Contract and Requirements* prescribed by the Kentucky State Committee for School District Audits, the financial statements of the governmental activities, the business-type activities, and each major fund of the Oldham County School District (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 December 16, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the 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 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

In addition, the results of our tests disclosed no instances of material noncompliance with specific statutes or regulations identified in the *Kentucky Public School Districts' Audit Contract and Requirements* prescribed by Kentucky State Committee for School District Audits

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.

L B M C, P C

Louisville, Kentucky
December 16, 2024

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



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**Independent Auditors’ Report on Compliance for
Each Major Program and on Internal Control Over
Compliance Required by the Uniform Guidance**

Members of the Board of Education
Oldham County School District
Crestwood, Kentucky

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Oldham County School District’s (the “District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2024. The District’s major federal programs are identified in the summary of auditors’ results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

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.

Auditors' 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 each 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 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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

LBMC, PC

Louisville, Kentucky
December 16, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Schedule of Findings and Questioned Costs--Continued

Oldham County School District

Year Ended June 30, 2024

SECTION II –FINANCIAL STATEMENT FINDINGS

No matters are reportable.

SECTION III –FEDERAL AWARD FINDINGS AND QUESTIONED COST

No matters are reportable.

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Schedule of Prior Year Audit Findings

Oldham County School District

Year Ended June 30, 2024

SECTION I -SUMMARY OF PRIOR YEAR AUDITOR'S RESULTS

No matters are reportable

SECTION II – PRIOR YEAR FINANCIAL STATEMENT FINDINGS

No matters are reportable

SECTION III – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COST

No matters are reportable