



**WYOMING AREA SCHOOL DISTRICT
Exeter, Pennsylvania
Luzerne County
Financial Statements
June 30, 2024
With Independent Auditors' Reports**



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Wyoming Area School District
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June 30, 2024

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INDEPENDENT AUDITORS' REPORT

Board of School Directors
Wyoming Area School District
Exeter, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

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 Wyoming Area School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Wyoming Area School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Wyoming Area School District, as of June 30, 2024, and the respective changes in financial positions for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 16 to the financial statements, the District has corrected beginning net position for an error with its method of allocating the Pension and OPEB liabilities as well as the related deferred inflows and outflows to the Business-Type Activities as well as the Food Service Fund. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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

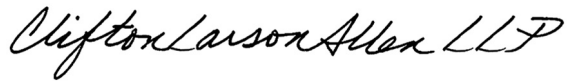
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wyoming Area School District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

Wyoming Area School District's 2023 financial statements were audited by other auditors and expressed unmodified audit opinions on those financial statements in their report dated March 25, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2005, on our consideration of the Wyoming Area School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Wyoming Area School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Wyoming Area School District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

West Hartford, Connecticut
September 23, 2025

Wyoming Area School District

Management's Discussion and Analysis – Unaudited

June 30, 2024

Management's discussion and analysis ("MD&A") of the Wyoming Area School District (the "District") provides an overview of the District's financial performance for fiscal year ended June 30, 2024. Readers should also review the basic financial statements and related notes to enhance their understanding of the District's financial performance.

District Profile

The District consists of four schools – a kindergarten, a primary school, an intermediate school, and a high school consisting of approximately 2,041 students. The District encompasses the municipalities of West Pittston, Exeter Borough, Wyoming, West Wyoming, and Exeter Township in Luzerne County, Pennsylvania and Exeter Township in Wyoming County, Pennsylvania and covers approximately 26 square miles. The District is located in northeastern Pennsylvania, midway between Wilkes-Barre and Scranton, along the Susquehanna River. There are approximately 305 full and part-time employees in the District including 161 instructional staff, 16 administrators and 128 support staff.

The mission of the District is to provide educational programs and services which meet the needs of all the youth of the district.

Financial Highlights

- On a government-wide basis including all governmental activities and the business type activities, the liabilities and the deferred inflows of resources of the District exceeded the assets and deferred outflows of resources resulting in a deficit of total net position at the close of the 2023-2024 fiscal year of \$47,583,860. During the 2023-2024 fiscal year, the District had an increase in total net position of \$2,711,601. Prior to the net position-restatement the net position of governmental activities increased by \$2,525,097 and the net position of the business-type activities increased by \$126,708.
- Subsequent to a net position-restatement due to a reallocation of pension and OPEB liabilities, and related deferred outflows and inflows of resources to the Food Service Fund (business-type activities) from the governmental activities net position, the net position for end of year was a deficit of \$46,637,027 for governmental activities and \$946,833 for business-type activities (See Note 15).
- The General Fund reported an increase in fund balance of \$266,744, bringing the cumulative balance to \$4,269,087 at the conclusion of the 2023-2024 fiscal year.
- At June 30, 2024, the General Fund fund balance includes \$61,003 considered nonspendable, \$1,246,158 assigned for subsequent years budget increases and unassigned amounts of \$2,961,926 or 6.20% of the \$47,783,390 2024-2025 General Fund expenditure budget. This is in compliance with guidelines prescribed by the Pennsylvania Department of Education which allows a district to maintain an unassigned maximum General Fund fund balance of 8% of the following year's expenditure budget.
- Budgeted amounts in the General Fund used \$594,312 as of June 30, 2023, to balance the 2023-2024 General Fund budget. Actual results during the 2023-2024 fiscal year resulted in an increase of \$265,185 for a favorable variance of \$859,497.

Overview of the Financial Statements

The MD&A is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Wyoming Area School District Management's Discussion and Analysis – Unaudited June 30, 2024

Government-Wide Financial Statements

The government-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.

The Statement of Net Position (Deficit) presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position (deficit). Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the District is improving or deteriorating. To assess the District's overall health, the reader will need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish the functions of the District that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. In the government-wide financial statements, the District's activities are divided into two categories:

Governmental Activities

Most of the District's basic services are included here, such as regular and special education, support services, maintenance, transportation, and administration.

Business-Type Activities

The District charges fees to cover the costs of its food services program.

The government-wide financial statements can be found on Pages 17 and 18 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Most of the District's activities are included in the governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Wyoming Area School District

Management's Discussion and Analysis – Unaudited

June 30, 2024

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the governmental near-term financing decisions. Both the Balance Sheet – Governmental Funds and Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two major individual governmental funds. Information is presented separately in the Balance Sheet – Governmental Funds and Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds for each of the major funds.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with the budget.

The governmental fund financial statements can be found on Pages 19 through 22 of this report.

Proprietary Funds

The District maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Food Service Fund is reported as an enterprise fund of the proprietary fund type.

The proprietary fund financial statements can be found on Pages 23 through 25 of this report.

Fiduciary Funds

The District is the trustee, or fiduciary, for assets that belong to others, consisting of student activity and student/faculty vending funds. The District is responsible for ensuring that the assets reported in this fund are used for their intended purpose and by those to whom the assets belong. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The fiduciary fund financial statements can be found on Pages 26 and 27 of this report.

Notes to the Financial Statements

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

The notes to the financial statements can be found on Pages 28 through 56 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which consists of the budgetary comparison schedule for the general fund, schedules of the District's proportionate share of the net pension liability-PSERS and pension plan contributions-PSERS, schedule of changes in OPEB liability single-employer plan, and the schedules of the District's proportionate share of the net OPEB liability-PSERS and OPEB plan contributions-PSERS.

The required supplementary information can be found on Pages 57 through 63 of this report.

Wyoming Area School District
Management's Discussion and Analysis – Unaudited
June 30, 2024

Government-Wide Financial Analysis

As noted above, net position may serve over time as a useful indicator of the District's financial position. At the close of the 2023-2024 fiscal year, the District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$47,583,860. The following table presents condensed information for the Statement of Net Position (Deficit) of the District at June 30, 2024, and June 30, 2023.

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Assets						
Current assets	12,558,649	10,135,970	59,073	98,200	12,617,722	10,234,170
Capital assets	22,716,713	22,228,617	51,473	59,535	22,768,186	22,288,152
Total assets	35,275,362	32,364,587	110,546	157,735	35,385,908	32,522,322
Deferred outflows of resources	10,283,706	10,602,676	215,033	234,216	10,498,739	10,836,892
Liabilities						
Current liabilities	6,909,516	6,183,624	7,804	158,657	6,917,320	6,342,281
Noncurrent liabilities	78,290,503	79,029,476	1,151,717	1,198,793	79,442,220	80,228,269
Total liabilities	85,200,019	85,213,100	1,159,521	1,357,450	86,359,540	86,570,550
Deferred inflows of resources	6,996,076	6,976,083	112,891	108,042	7,108,967	7,084,125
Net position (deficit)						
Net investment in capital assets	1,824,253	1,823,436	51,473	59,535	1,875,726	1,882,971
Restricted	15,500	15,500	-	-	15,500	15,500
Unrestricted	(48,476,780)	(51,060,856)	(998,306)	(1,133,076)	(49,475,086)	(52,193,932)
Total net position (deficit)	\$ (46,637,027)	\$ (49,221,920)	\$ (946,833)	\$ (1,073,541)	\$ (47,583,860)	\$ (50,295,461)

The District's total assets as of June 30, 2024, were \$35,385,908 of which \$8,759,472 or 24.75% consisted of cash and \$22,768,186 or 64.35% consisted of the District's investment in capital assets. The District's total liabilities as of June 30, 2024, were \$86,359,540 of which \$20,837,992 or 24.13% consisted of general obligation debt used to acquire and construct capital assets and \$46,488,267 or 53.83% consisted of the actuarially determined net pension liability.

The District had a deficit in unrestricted net position of \$49,475,086 at June 30, 2024. The District's unrestricted net position increased by \$2,718,846 primarily due to the results of current year operations and the change in the net pension liability and related deferred outflows and inflows or resources.

Another portion of the District's net assets reflects its investment in capital assets net of accumulated depreciation less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. For the year ended June 30, 2024, the District's net investment in capital assets decreased by \$7,245.

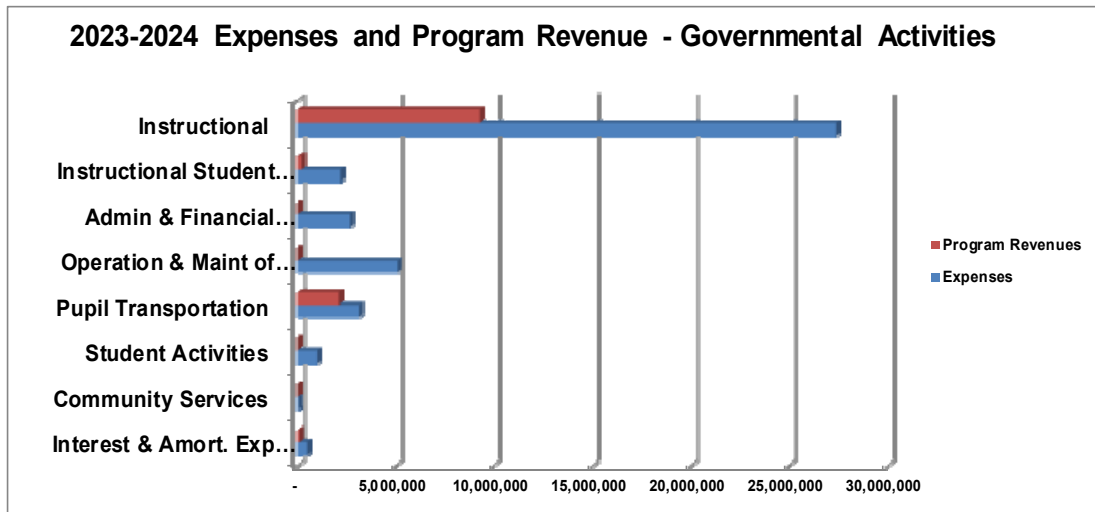
**Wyoming Area School District
Management's Discussion and Analysis – Unaudited
June 30, 2024**

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 8,419	\$ 8,604	\$ 11,380	\$ 15,932	\$ 19,799	\$ 24,536
Operating grants and contributions	11,127,846	11,669,305	1,043,686	1,006,991	12,171,532	12,676,296
Capital grants and contributions	700,921	1,234,768	-	-	700,921	1,234,768
General Revenues						
Property taxes levied for general purposes	19,249,331	18,275,188	-	-	19,249,331	18,275,188
Earned income taxes levied for general purposes	2,648,434	2,624,504	-	-	2,648,434	2,624,504
Other taxes levied for general purposes	449,124	427,908	-	-	449,124	427,908
Grants and entitlements not restricted to specific programs	9,988,959	9,585,536	-	-	9,988,959	9,585,536
Investment earnings	453,861	253,160	392	498	454,253	253,658
Miscellaneous income	304,076	648,407	-	-	304,076	648,407
Transfers	(96,261)	-	96,261	-	-	-
Total revenues	44,834,710	44,727,380	1,151,719	1,023,421	45,986,429	45,750,801
Expenses						
Instruction	28,378,108	27,293,357	-	-	28,378,108	27,293,357
Instructional student support services	2,326,477	2,285,743	-	-	2,326,477	2,285,743
Administrative and financial support services	2,826,964	2,981,411	-	-	2,826,964	2,981,411
Operation and maintenance of plant services	4,234,904	4,022,826	-	-	4,234,904	4,022,826
Pupil transportation	3,209,853	2,869,360	-	-	3,209,853	2,869,360
Food service	-	-	1,025,011	996,231	1,025,011	996,231
Student activities	750,748	722,260	-	-	750,748	722,260
Community services	71,916	89,662	-	-	71,916	89,662
Interest and amortization expense related to noncurrent liabilities	510,643	561,982	-	-	510,643	561,982
Total expenses	42,309,613	40,826,601	1,025,011	996,231	43,334,624	41,822,832
Change in net position (deficit)	\$ 2,525,097	\$ 3,900,779	\$ 126,708	\$ 27,190	\$ 2,651,805	\$ 3,927,969

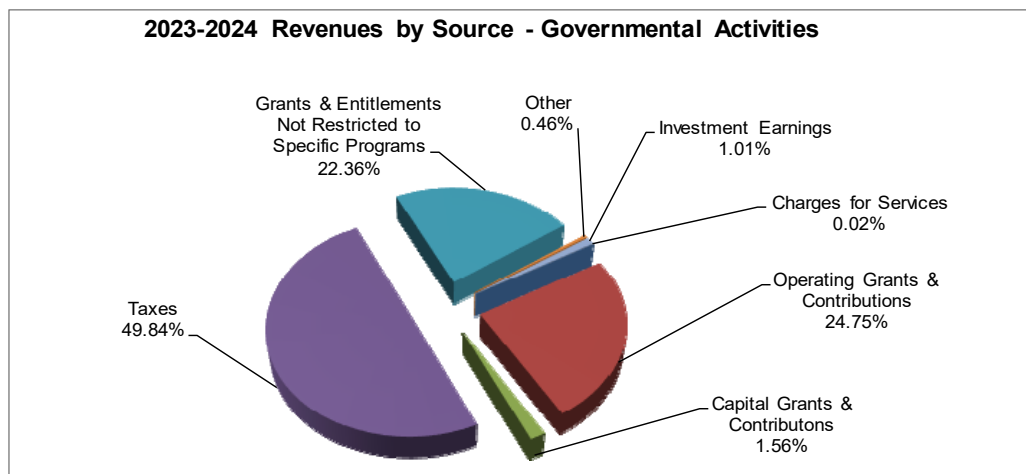
Overall, the District's financial position has been improving, but challenges such as increased medical costs and pension contributions, state-mandated programs and negotiated contracts have a potential to offset these gains in future fiscal years. Management of the District continues to aggressively implement cost efficiencies and revenue-generating strategies to combat these factors. In the governmental activities, the District's assessed property tax base drives the majority of the revenue generated. A majority of the District's property tax base is in the form of residential housing. Although the District is primarily a residential community, the District also has a property tax base derived from some commercial facilities.

The Statement of Activities provides detail that focuses on how the District finances its services. The Statement of Activities compares the costs of the District functions and programs with the resources those functions and programs generate themselves in the form of program revenues. As demonstrated by the following graph, all of the District's governmental activities are not self-supporting, raising enough program revenue to cover their costs, as most traditional governmental services are not.

**Wyoming Area School District
Management's Discussion and Analysis – Unaudited
June 30, 2024**



To the degree that the District's functions or programs cost more than they raise, the Statement of Activities shows how the District chose to finance the difference through general revenues. The following chart shows that the District relies on tax revenues to finance its governmental activities.



Governmental Funds

The governmental fund financial statements provide detailed information of the District's major funds. Some funds are required to be established by State statute while other funds are established by the District to manage monies restricted for a specific purpose. As of June 30, 2024, the District's governmental funds reported a combined fund balance of \$5,691,527 which is an increase of \$1,621,488 from the prior year, which now includes the Scholarship Fund as a Nonmajor Governmental Fund. The following table summarizes the District's total governmental fund balances as of June 30, 2024, and 2023, and the total 2024 change in governmental fund balances.

	2024	2023	Change
General fund	4,269,087	4,002,343	266,744
Capital projects fund	1,365,733	7,900	1,357,833
Scholarship fund	56,707	59,796	(3,089)
	<u>\$ 5,691,527</u>	<u>\$ 4,070,039</u>	<u>\$ 1,621,488</u>

Wyoming Area School District

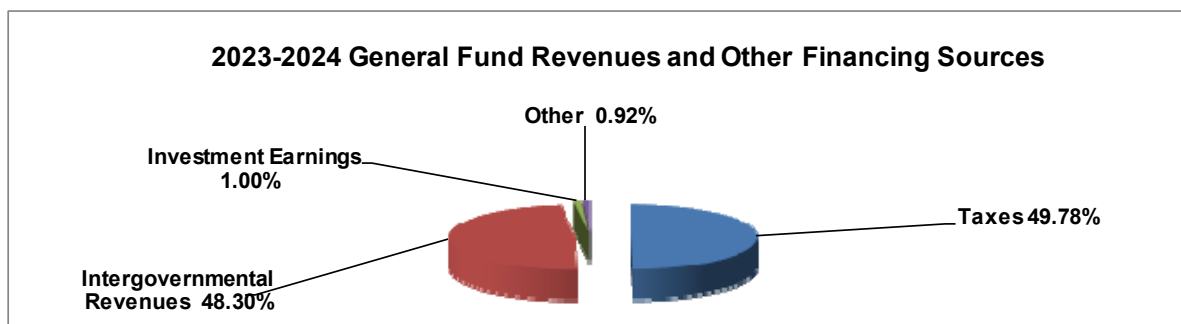
Management's Discussion and Analysis – Unaudited

June 30, 2024

General Fund

The General Fund is the District's primary operating fund. At the conclusion of the 2023-2024 fiscal year, the General Fund fund balance was \$4,269,087 representing an increase of \$266,744 in relation to the prior year. The increase in the District's General Fund fund balance is due to many factors. The following analysis has been provided to assist the reader in understanding the financial activities of the General Fund during the 2023-2024 fiscal year.

The District's reliance upon tax revenues and intergovernmental revenues is demonstrated by the graph below that indicates 48.30% of General Fund revenues are derived from intergovernmental revenues and 49.78% were derived from local taxes.



General Fund Revenues and Other Financing Sources

	2024	2023	\$ Change	% Change
Tax revenues	22,334,285	21,324,975	1,009,310	4.73
Intergovernmental revenues	21,517,568	22,489,609	(972,041)	(4.32)
Investment earnings	445,523	252,056	193,467	76.76
Other	307,200	657,009	(349,809)	(53.24)
	<u>\$ 44,604,576</u>	<u>\$ 44,723,649</u>	<u>\$ (119,073)</u>	<u>(0.27)</u>

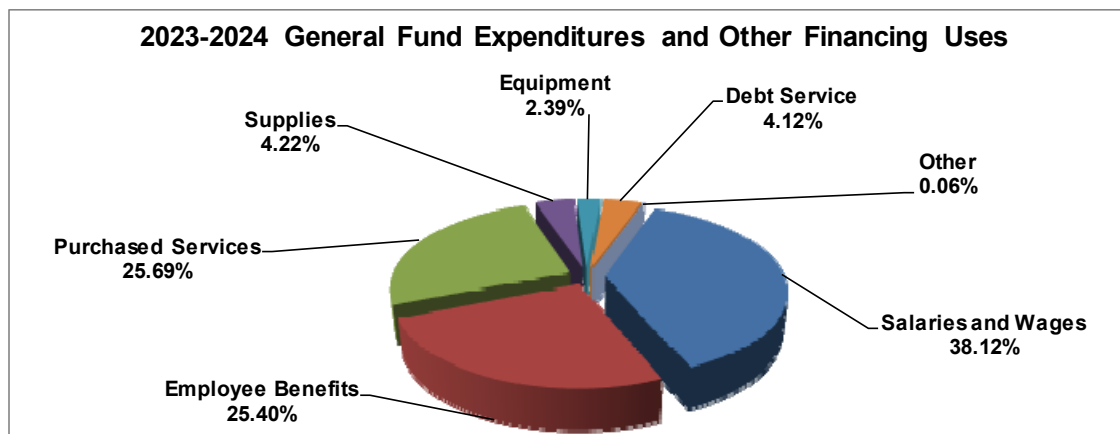
Tax revenues increased by \$1,009,310 or 4.73% due to a millage increase of 5.50% for Luzerne County and 5.75% for Wyoming County and an increase in earned income tax collections.

Intergovernmental revenues decreased by \$972,041 or 4.32% due to the expiring of the receipts of federal grants through the Elementary and Secondary School Emergency Relief Fund ("ESSER") coupled with increases in the basic and special education subsidies and the state property tax relief allocation.

Investment earnings increased commensurate with the increase in interest rates.

**Wyoming Area School District
Management's Discussion and Analysis – Unaudited
June 30, 2024**

As the graph below illustrates, the largest portion of General Fund expenditures are for salaries and benefits. The District is an educational service entity and as such is labor intensive.



General Fund Expenditures and Other Financing Uses

	2024	2023	\$ Change	% Change
Salaries and wages	\$ 16,965,126	\$ 16,349,021	\$ 616,105	3.77
Employee benefits	11,305,279	10,997,672	307,607	2.80
Purchased services	11,428,477	10,834,358	594,119	5.48
Supplies	1,879,720	2,543,737	(664,017)	(26.10)
Equipment	1,063,354	1,680,421	(617,067)	(36.72)
Other	24,494	172,071	(147,577)	(85.77)
Debt service	1,834,035	1,769,796	64,239	3.63
	<u>\$ 44,500,485</u>	<u>\$ 44,347,076</u>	<u>\$ 153,409</u>	<u>0.35</u>

Salaries and wages increased by \$616,105 or 3.77 % in 2023-2024 compared to 2022-2023 as a result of contractual increases.

Employee benefits increased by \$307,607 or 2.80% in 2023-2024 compared to 2022-2023 as a result of corresponding social security and retirement contributions on salary increases.

Purchased services increased by \$594,119 or 5.48% during 2023-2024 compared to 2022-2023 primarily related to an increase in contracted services for transportation, repairs and maintenance, and cyber and charter school tuition.

Supplies costs decreased \$664,017 or 26.10% due to reduction in ESSER purchases.

Equipment costs decreased \$617,067 or 36.72% related to the decrease in ESSER purchases.

Wyoming Area School District Management's Discussion and Analysis – Unaudited June 30, 2024

Capital Projects Fund

The Capital Projects Fund accounts for construction and renovation activity associated with the District's buildings and major equipment purchases. The Capital Projects Fund receives the majority of its revenues from the issuance of general obligation debt and transfers from the General Fund. During 2023-2024, the Capital Projects Fund reported an increase in its fund balance of \$1,357,833 due to issuance of general obligation debt in excess of current year capital expenditures. As of June 30, 2024, the Capital Projects Fund had a fund balance of \$1,365,733, all of which is restricted for future capital expenditures.

General Fund Budget Information

The District maintains its financial records and prepares its financial reports on the modified accrual basis of accounting. The District budgets and expends funds according to procedures mandated by the Pennsylvania Department of Education. An annual operating budget is prepared by management and submitted to the School Board for approval prior to the beginning of the fiscal year on July 1 each year. The most significant budgeted fund is the General Fund.

Budgeted amounts in the General Fund used \$594,312 of fund balance as of June 30, 2024, to balance the 2023-2024 General Fund budget. Actual results during the 2023-2024 fiscal year resulted in an increase of \$266,744 for a favorable variance of \$859,497. Total General Fund revenues were \$829,125 or 1.85% less than budgeted amounts and total General Fund expenditures and other financing uses were \$1,687,812 or 3.79% less than budgeted amounts. Major budgetary highlights for 2023-2024 were as follows:

- Local source revenues were \$673,386 more than budgeted as a result of higher than expected earned income taxes as well as higher than expected investment income due to rising interest rates.
- State source revenues were \$511,124 more than budgeted as a result of more than anticipated basic education, special education, and transportation appropriations.
- Federal source revenues were \$2,013,635 less than budgeted as a result of less than anticipated expenditures to be reimbursed through ESSER grants.
- Operation and maintenance of plant services were \$1,759,676 less than budgeted mainly due to less than anticipated spending on ESSER funding for capital expenditures and other initiatives for safety and security.

Business-Type Activities and Food Service Fund

During 2023-2024, the net position of the business-type activities and Food Service Fund increased by \$126,708. As of June 30, 2024, the business-type activities and Food Service Fund had a deficit in net position of \$946,833.

For the year ended June 30, 2024, the District reviewed the allocation of Pension and OPEB liabilities, and related deferred outflows and inflows of resources. From this review the District changed the estimate to include a portion of those liabilities within the food service proprietary fund. The change is being applied retrospectively. The effect of this change in the current period is an increase of \$1,063,949 in governmental activities net position and a decrease in business-type activities net position as of July 1, 2023, as well as a \$1,063,949 decrease in the net position of the food service enterprise fund. Additionally, the District identified that \$13,500 of compensated absences had been excluded in error from the June 30, 2023, financial statements. The effect of this change in the current period is a decrease in business-type activities and food service enterprise fund net position by \$13,500 as of July 1, 2023.

Wyoming Area School District

Management's Discussion and Analysis – Unaudited

June 30, 2024

Capital Assets

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounted to \$22,768,186 net of accumulated depreciation. This investment in capital assets includes land, construction in progress, buildings and improvements, furniture and equipment, vehicles, right-to-use lease assets and library and textbooks. The total increase in the District's investment in capital assets for the current fiscal year was \$480,034 or 2.15%. The increase was the result of current year capital additions in excess of current year depreciation expense. Current year capital additions were \$1,331,146 and depreciation expense was \$890,903.

Major capital additions for the current fiscal year included the following:

HVAC upgrades – construction in progress	\$	563,047
Stadium fencing	\$	287,416
HVAC-JFK	\$	465,987

Noncurrent Liabilities

At the end of the current fiscal year, the District had total general obligation debt of \$20,837,992 consisting of \$20,170,000 in bonds and notes payable, and bond premiums of \$667,992. The entire amount is backed by the full faith and credit of the District. General obligation debt was issued to finance capital expenditures or to finance the retirement (refund) of prior obligation debt. The District's general obligation debt increased by \$510,549 or 2.51% during the fiscal year.

State statutes limit the amount of general obligation debt the District may issue up to 225% of its borrowing base capacity which is calculated as the annual arithmetic average of the total revenues for the preceding three fiscal years. The District's outstanding general obligation debt of \$20,837,992 is within the current debt limitation of the District which was an estimated \$97,781,605 as of June 30, 2024.

As of September 8, 2025, The District maintains an A+ (Stable Outlook) rating from Standard & Poor's.

The District reports its allocated portion of its defined benefit unfunded benefit obligation related to its participation in the Pennsylvania State Employee Retirement System ("PSERS"). The District's allocated portion of the net pension liability is an actuarially determined estimate of the unfunded cost of the pension plan obligation which totaled \$46,488,267 as of June 30, 2024. The District's net pension liability decreased by \$1,927,281 or 3.98% during the fiscal year.

The District reports a liability for its other post-employment benefits ("OPEB") related to its single employer OPEB plan and its participation in the PSERS health insurance premium assistance program. The District's OPEB liability is an actuarially determined estimate of the unfunded cost of the OPEB obligation which totaled \$11,314,854 as of June 30, 2024. The District's OPEB liability increased by \$714,861 or 6.74% during the fiscal year.

Other noncurrent liabilities consist of the District's liabilities for leases payable, compensated absences and retirement incentive plans, which totaled \$787,757 as of June 30, 2024. These liabilities decreased by \$84,028 or 9.64% during the fiscal year.

Wyoming Area School District Management's Discussion and Analysis – Unaudited June 30, 2024

Factors Bearing On The District's Future

At the time these financial statements were prepared and audited, the District was aware of several existing circumstances that could significantly affect its financial health in the future:

- The District adopted a balanced 2024-2025 budget totaling \$47,783,390 which used \$1,246,159 of General Fund fund balance as of June 30, 2024, to balance the 2024-2025 budget and the real estate tax millage at 21.0533 mills for Luzerne County and 105.4852 mills for Wyoming County.
- The District also adopted a balanced 2025-2026 budget totaling \$47,834,009 which utilized \$1,008,268 of estimated General Fund fund balance at June 30, 2025, to balance the 2025-2026 budget with real estate tax millage at 21.7890 mills for Luzerne County and 108.6909 mills for Wyoming County.
- The following represents the Collective Bargaining Agreements in effect at June 30, 2024:
 - The District and the Wyoming Area Education Association operated under a contract for a term commencing September 1, 2022, and ending August 31, 2024. As per a negotiated settlement agreement dated September 5, 2023, the Collective Bargaining Agreement was extended to August 31, 2025.
 - Wyoming Area School District and the Wyoming Area Educational Support Personnel Association are currently operating under an agreement which expired on June 30, 2023. Management expects the new agreement new contract to be settled before the end of 2023-2024 for a term retroactively commencing July 1, 2023, and ending June 30, 2026.
- In 2006, Act 1 was passed which repealed Act 72, which provides taxpayer relief through gambling revenues generated at the State level. The intent of this legislation is to provide a mechanism to relieve the burden of funding public education from property owners. This new legislation has put a "ceiling" on the percentage increase of local real estate taxes that can be levied year-to-year in order to balance the school district budget. Pennsylvania school districts are now required to either change their taxing strategies to make up for the shortfall of increased real estate tax refunds or seek the taxpayers' approval through back-end referendum to increase taxes higher than the approved index. This law puts an already increased burden on the District's revenue stream in future years. This legislation introduced certain new requirements on school districts which include the following:
 - That in the event a school district wishes to increase the property tax millage rate by more than an index annually prescribed by the state (7.20% for Wyoming Area School District for 2024-2025), the school district must seek voter approval (known commonly as a "back-end referendum") prior to implementing the millage rate increase. In the event voters do not approve the millage rate increase, the school district must limit its millage rate increase to the index.
 - Certain exceptions are provided under Act 1 that, if approved by the appropriate authority, may permit increases above the Act 1 index without the need for a back-end referendum. Typically, these exceptions relate to emergencies and cost increases in excess of the Act 1 index (e.g., retirement system contributions) over which the school district has no control.
 - Any revenues distributed under the provisions of Act 1 are to be used for the purpose of reducing property taxes for homesteaders and farmsteaders.

**Wyoming Area School District
Management's Discussion and Analysis – Unaudited
June 30, 2024**

- In November 2010 and, again, in 2017 legislation was signed into law to implement a series of actuarial and funding changes to the Public School Employees' Retirement System ("PSERS"). The 2017 law has taken effect as of July 2019. The law changed the pension plans for all new hires effective July 1, 2019. It does not impact the pension benefits of current or retired PSERS members. Based on available projections, school districts will not see relief from the new legislation until 10-20 years in the future. The employer contribution rate for 2025-2026 is projected at 34.00%. Currently, the employer contribution rate for 2024-2025 is 33.90%.

Contacting The District Financial Management

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Manager, Wyoming Area School District, 252 Memorial Street, Exeter, PA 18643.

Wyoming Area School District
Statement Of Net Position (Deficit)
June 30, 2024 with summarized comparative totals for 2023

	Governmental Activities	Business-type Activities	Totals	
			2024	2023
Assets and deferred outflows of resources				
Current assets				
Cash	\$ 8,759,472	\$ -	\$ 8,759,472	\$ 6,469,674
Taxes receivable	57,411	-	57,411	44,893
Due from other governments	3,523,955	131,794	3,655,749	3,204,298
Accounts receivable	59,193	1,276	60,469	431,910
Internal balances	97,615	(97,615)	-	-
Inventories	15,500	-	15,500	15,500
Other assets	45,503	23,618	69,121	67,895
Total current assets	12,558,649	59,073	12,617,722	10,234,170
Noncurrent assets				
Capital assets, net	22,716,713	51,473	22,768,186	22,288,152
Total assets	35,275,362	110,546	35,385,908	32,522,322
Deferred outflows of resources				
Deferred charges on proportionate share of pension - PSERS	8,573,508	190,172	8,763,680	9,038,075
Deferred charges OPEB - single employer	1,341,216	16,676	1,357,892	1,311,176
Deferred charges on proportionate share of OPEB - PSERS	368,982	8,185	377,167	487,641
Total deferred outflows of resources	10,283,706	215,033	10,498,739	10,836,892
Liabilities, deferred inflows of resources and net position (deficit)				
Current liabilities				
Accounts payable	1,448,023	7,804	1,455,827	1,554,134
Accrued salaries, payroll withholdings and benefits	5,338,229	-	5,338,229	4,588,889
Deferred revenue	23,459	-	23,459	91,638
Accrued interest payable	99,805	-	99,805	107,620
Total current liabilities	6,909,516	7,804	6,917,320	6,342,281
Noncurrent liabilities				
Due within one year	1,571,964	5,356	1,577,320	1,400,902
Due in more than one year	76,718,539	1,146,361	77,864,900	78,827,367
Total noncurrent liabilities	78,290,503	1,151,717	79,442,220	80,228,269
Total liabilities	85,200,019	1,159,521	86,359,540	86,570,550
Deferred inflows of resources				
Deferred credits on proportionate share of pension - PSERS	2,392,922	53,078	2,446,000	1,938,000
Deferred credits OPEB - single employer	4,125,744	49,223	4,174,967	4,585,125
Deferred credits on proportionate share of OPEB - PSERS	477,410	10,590	488,000	561,000
Total deferred inflows of resources	6,996,076	112,891	7,108,967	7,084,125
Net position (deficit)				
Net investment in capital assets	1,824,253	51,473	1,875,726	1,882,971
Restricted	15,500	-	15,500	15,500
Unrestricted (deficit)	(48,476,780)	(998,306)	(49,475,086)	(52,193,932)
Total net position (deficit)	\$ (46,637,027)	\$ (946,833)	\$ (47,583,860)	\$ (50,295,461)

See accompanying Notes to Financial Statements.

Wyoming Area School District
Statement Of Activities
Year ended June 30, 2024 with summarized comparative totals for 2023

	Program Revenues				Net (Expense) Revenue and Changes in Net Position (Deficit)			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	2024	Totals 2023
Governmental activities								
Instruction	\$ 28,378,108	\$ 5,186	\$ 7,752,411	\$ -	\$ (20,620,511)	\$ -	\$ (20,620,511)	\$ (18,889,263)
Instructional student support services	2,326,477	-	410,787	-	(1,915,690)	-	(1,915,690)	(1,901,700)
Administrative and financial suport services	2,826,964	-	293,333	-	(2,533,631)	-	(2,533,631)	(2,657,693)
Operation and maintenance of plant services	4,234,904	3,233	346,575	700,921	(3,184,175)	-	(3,184,175)	(2,348,518)
Pupil transportation	3,209,853	-	2,149,810	-	(1,060,043)	-	(1,060,043)	(919,751)
Student activities	750,748	-	57,239	-	(693,509)	-	(693,509)	(660,151)
Community services	71,916	-	-	-	(71,916)	-	(71,916)	(89,662)
Interest and amortization expense related to noncurrent liabilities	510,643	-	117,691	-	(392,952)	-	(392,952)	(447,186)
Total governmental activities	<u>42,309,613</u>	<u>8,419</u>	<u>11,127,846</u>	<u>700,921</u>	<u>(30,472,427)</u>	<u>-</u>	<u>(30,472,427)</u>	<u>(27,913,924)</u>
Business-type activities								
Food service	1,025,011	11,380	1,043,686	-	-	30,055	30,055	26,692
Total primary government	<u>\$ 43,334,624</u>	<u>\$ 19,799</u>	<u>\$ 12,171,532</u>	<u>\$ 700,921</u>	<u>(30,472,427)</u>	<u>30,055</u>	<u>(30,442,372)</u>	<u>(27,887,232)</u>
General revenues								
Property taxes levied for general purposes					19,249,331	-	19,249,331	18,275,188
Earned income taxes levied for general purposes					2,648,434	-	2,648,434	2,624,504
Other taxes levied for general purposes					449,124	-	449,124	427,908
Grants and entitlements not restricted to specific programs					9,988,959	-	9,988,959	9,585,536
Miscellaneous general purpose revenues					304,076	-	304,076	648,407
Investment earnings					453,861	392	454,253	253,658
Transfers					(96,261)	96,261	-	-
Total general revenues					<u>32,997,524</u>	<u>96,653</u>	<u>33,094,177</u>	<u>31,815,201</u>
Change in net position (deficit)					2,525,097	126,708	2,651,805	3,927,969
Net position (deficit)								
Beginning of year, as originally reported					(50,285,869)	3,908	(50,281,961)	(54,209,930)
Restatement (See Note 15)					1,123,745	(1,077,449)	46,296	(13,500)
Beginning of year, restated					<u>(49,162,124)</u>	<u>(1,073,541)</u>	<u>(50,235,665)</u>	<u>(54,223,430)</u>
End of year					<u>\$ (46,637,027)</u>	<u>\$ (946,833)</u>	<u>\$ (47,583,860)</u>	<u>\$ (50,295,461)</u>

See accompanying Notes to Financial Statements.

Wyoming Area School District
Balance Sheet – Governmental Funds
June 30, 2024 with summarized comparative totals for 2023

	Major Funds		Nonmajor Fund	Totals	
	General Fund	Capital Projects Fund	Scholarship Fund	2024	2023
Assets					
Cash	\$ 7,624,448	\$ 1,078,317	\$ 56,707	\$ 8,759,472	\$ 6,438,833
Taxes receivable	57,411	-	-	57,411	44,893
Due from other governments	3,523,955	-	-	3,523,955	3,179,747
Due from other funds	97,615	287,416	-	385,031	144,006
Accounts receivable	59,193	-	-	59,193	413,648
Inventories	15,500	-	-	15,500	15,500
Prepaid items	45,503	-	-	45,503	43,349
Total assets	\$ 11,423,625	\$ 1,365,733	\$ 56,707	\$ 12,846,065	\$ 10,279,976
Liabilities, deferred inflows of Resources and fund balances					
Liabilities					
Accounts payable	\$ 1,448,023	\$ -	\$ -	\$ 1,448,023	\$ 1,544,313
Due to other funds	287,416	-	-	287,416	-
Accrued salaries, payroll withholdings and benefits	5,338,229	-	-	5,338,229	4,588,889
Other liabilities	23,459	-	-	23,459	91,638
Total liabilities	7,097,127	-	-	7,097,127	6,224,840
Deferred inflows of resources					
Unavailable revenues - property taxes	57,411	-	-	57,411	44,893
Fund balances					
Nonspendable	61,003	-	-	61,003	58,849
Restricted for capital projects	-	1,365,733	-	1,365,733	7,900
Committed for scholarships	-	-	56,707	56,707	-
Assigned for subsequent years budget	1,246,158	-	-	1,246,158	569,311
Unassigned	2,961,926	-	-	2,961,926	3,374,183
Total fund balances	4,269,087	1,365,733	56,707	5,691,527	4,010,243
Total liabilities, deferred inflows of resources and fund balances	\$ 11,423,625	\$ 1,365,733	\$ 56,707	\$ 12,846,065	\$ 10,279,976

See accompanying Notes to Financial Statements.

Wyoming Area School District
Reconciliation of Governmental Funds Balance Sheet to Net Position (Deficit) of
Governmental Activities on The Statement of Net Position (Deficit)
June 30, 2024

Total Governmental Fund Balances	\$ 5,691,527
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Amounts reported for governmental activities in the statement of net position (deficit) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet.	22,716,713
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Some of the District's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the governmental funds balance sheet.	57,411
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Deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits are not reported as assets and liabilities in the governmental funds balance sheet.	3,287,630
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Noncurrent liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds balance sheet.	(78,290,503)
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Accrued interest payable on noncurrent liabilities is included in the statement of net position (deficit), but is excluded from the governmental funds balance sheet until due and payable.	(99,805)
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Net Position (Deficit) of Governmental Activities	<u>\$ (46,637,027)</u>
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Wyoming Area School District
Statement Of Revenues, Expenditures And Changes In Fund Balances –
Governmental Funds
Year ended June 30, 2024 with summarized comparative totals for 2023

	Major Funds		Nonmajor Fund		
		Capital			
	General	Projects	Scholarship	Totals	
	Fund	Fund	Fund	2024	2023
Revenues					
Local sources	\$ 23,192,686	\$ 8,338	\$ 12,086	\$ 23,213,110	\$ 22,323,709
State sources	18,604,023	-	-	18,604,023	18,016,284
Federal sources	3,065,971	-	-	3,065,971	4,383,975
Total revenues	44,862,680	8,338	12,086	44,883,104	44,723,968
Expenditures					
Current					
Instruction	28,461,141	-	-	28,461,141	28,079,400
Support services	13,094,210	-	15,175	13,109,385	13,456,317
Operation of noninstructional services	1,111,099	-	-	1,111,099	1,090,009
Facilities acquisition, construction and improvement services	-	476,631	-	476,631	194,570
Debt service	1,834,035	-	-	1,834,035	1,776,350
Total expenditures	44,500,485	476,631	15,175	44,992,291	44,596,646
Excess (Deficiency) Of Revenues Over (Under) Expenditures	362,195	(468,293)	(3,089)	(109,187)	127,322
Other financing sources (uses)					
Proceeds from the issuance of bonds	-	1,826,126	-	1,826,126	273,874
Sale of fixed assets	810	-	-	810	785
Interfund transfers in (out)	(96,261)	-	-	(96,261)	-
Total other financing sources (uses)	(95,451)	1,826,126	-	1,730,675	274,659
Net Change in Fund Balances	266,744	1,357,833	(3,089)	1,621,488	401,981
Fund balances (deficit)					
Beginning of year, as originally reported	4,002,343	7,900	-	4,010,243	3,608,262
Restatement (See Note 15)	-	-	59,796	59,796	-
Beginning of year, as restated	4,002,343	7,900	59,796	4,070,039	3,608,262
End of year	\$ 4,269,087	\$ 1,365,733	\$ 56,707	\$ 5,691,527	\$ 4,010,243

See accompanying Notes to Financial Statements.

Wyoming Area School District
Reconciliation Of Statement Of Revenues, Expenditures And Changes In Fund Balances
Of Governmental Funds To Change In Net Position (Deficit) Of Governmental Activities
On The Statement Of Activities
Year ended June 30, 2024

Net change in fund balances - governmental funds	\$ 1,621,488
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay expenditures	\$ 1,357,321	
Depreciation expense	<u>(869,225)</u>	488,096

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds. Deferred inflows of resources increased by this amount in the current period.

Deferred inflows of resources June 30, 2023	(44,893)	
Deferred inflows of resources June 30, 2024	<u>57,411</u>	12,518

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on the change in net position of governmental activities. Also, governmental funds report the effect of premiums, discounts and similar items when long-term debt is issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt	(1,826,126)	
Repayment of bonds and notes payable	1,200,000	
Amortization of discounts, premiums and deferred amounts on debt refunding	115,577	
Repayment of leases payable	<u>31,170</u>	(479,379)

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

Current year change in accrued interest payable	7,815	
Current year change in compensated absences	(8,480)	
Current year change in retirement incentive plans	61,338	
Current year change in net pension liability - PSERS and deferred outflows and inflows	1,120,041	
Current year change in OPEB liability - single employer and deferred outflows and inflows	(371,456)	
Current year change in net OPEB liability - PSERS and deferred outflows and inflows	<u>73,116</u>	<u>882,374</u>

Change in net position (deficit) of governmental activities	\$ <u>2,525,097</u>
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See accompanying Notes to Financial Statements.

Wyoming Area School District
Statement Of Net Position (Deficit) – Proprietary Fund
June 30, 2024 with summarized comparative totals for 2023

	Major Fund	
	Food Service Fund	
	2024	2023
Assets and deferred outflows of resources		
Current assets		
Cash	\$ -	\$ 30,841
Due from other governments	131,794	24,551
Other receivables	1,276	18,262
Inventories	23,618	24,546
Total current assets	156,688	98,200
Noncurrent assets		
Capital assets, net	51,473	59,535
Total noncurrent assets	51,473	59,535
Deferred outflows of resources		
Deferred charges on proportionate share of pension - PSERS	190,172	196,126
Deferred charges on proportionate share of OPEB - PSERS	8,185	-
Deferred charges OPEB - single employer	16,676	38,090
Total deferred outflows of resources	215,033	234,216
Liabilities, deferred inflows of resources and net position (deficit)		
Current liabilities		
Accounts payable	7,804	9,821
Due to other funds	97,615	144,006
Compensated absences	475	4,830
OPEB liability	4,881	-
Total current liabilities	110,775	158,657
Noncurrent liabilities		
Compensated absences	12,875	8,670
Net pension liability	1,008,795	1,050,617
OPEB liability	83,546	-
Net OPEB liability	41,145	139,506
Total noncurrent liabilities	1,146,361	1,198,793
Deferred inflows of resources		
Deferred charges on proportionate share of pension - PSERS	53,078	42,055
Deferred charges on proportionate share of OPEB - PSERS	10,590	-
Deferred charges OPEB - single employer	49,223	65,987
Total deferred inflows of resources	112,891	108,042
Net position (deficit)		
Net investment in capital assets	51,473	59,535
Unrestricted (deficit)	(998,306)	(1,133,076)
Total net position (deficit)	\$ (946,833)	\$ (1,073,541)

See accompanying Notes to Financial Statements.

Wyoming Area School District
Statement Of Revenues, Expenses And Changes In Net Position (Deficit) –
Proprietary Fund
Year ended June 30, 2024 with summarized comparative totals for 2023

	Major Fund	
	Food Service Fund	
	2024	2023
Operating revenues		
Charges for services	\$ 11,380	\$ 15,932
Operating expenses		
Salaries	376,161	352,602
Employee benefits	199,549	216,149
Purchased services	11,285	4,679
Supplies	425,854	378,797
Depreciation	12,062	10,845
Other	100	33
Total operating expenses	1,025,011	963,105
Operating loss	(1,013,631)	(947,173)
Nonoperating revenues		
Earnings on investments	392	498
State sources	157,053	178,877
Federal sources	886,633	828,114
Total nonoperating revenues	1,044,078	1,007,489
Change in net position before transfers	30,447	60,316
Transfers in	96,261	-
Change in net position (deficit)	126,708	60,316
Net position (deficit)		
Beginning of year, as originally reported	3,908	(23,282)
Restatement (See Note 15)	(1,077,449)	(1,110,575)
Beginning of year, as restated	(1,073,541)	(1,133,857)
End of year	\$ (946,833)	\$ (1,073,541)

See accompanying Notes to Financial Statements.

Wyoming Area School District
Statement Of Cash Flows – Proprietary Fund
Year ended June 30, 2024 with summarized comparative totals for 2023

	Major Fund	
	Food Service Fund	
	2024	2023
Cash flows from operating activities		
Cash received from charges for services	\$ 28,366	\$ 5,530
Cash payments to employees for services	(689,535)	(643,946)
Cash payments to suppliers for goods and services	(381,206)	(336,388)
Net cash used for operating activities	(1,042,375)	(974,804)
Cash flows from noncapital financing activities		
State sources	194,301	168,010
Federal sources	724,580	789,085
Transfers in	96,261	-
Net cash provided by noncapital financing activities	1,015,142	957,095
Cash flows from capital financing activities		
Acquisition of capital assets	(4,000)	(34,033)
Cash flows from investing activities		
Earnings on investments	392	498
Net decrease in cash	(30,841)	(51,244)
Cash		
Beginning of year	30,841	82,085
End of year	\$ -	\$ 30,841
Reconciliation of operating profit to net cash provided (used) by operating activities		
Operating loss	\$ (1,013,631)	\$ (947,173)
Adjustments to reconcile operating profit to net cash provided (used) by operating activities		
Depreciation	12,062	10,845
Donated commodities used	57,122	50,455
(Increase) decrease in inventories	928	(7,075)
(Increase) decrease in other receivables	16,986	(10,402)
(Increase) decrease in deferred outflows relating to OPEB	21,414	(37,096)
(Increase) decrease in deferred outflows relating to pension	5,954	(29,146)
Increase (decrease) in accounts payable	(2,017)	3,741
Increase (decrease) in due to other funds		(42,069)
Increase (decrease) in compensated absences	(150)	-
Increase (decrease) in total (net) OPEB liability	(93,480)	(21,717)
Increase (decrease) in net pension liability	(41,822)	131,176
Increase (decrease) in deferred inflows relating to OPEB	(16,764)	62,754
Increase (decrease) in deferred inflows relating to pension	11,023	(139,097)
Net cash provided (used) by operating activities	\$ (1,042,375)	\$ (974,804)
Supplemental disclosure		
Noncash noncapital financing activity		
USDA donated commodities	\$ 57,122	\$ 50,455

See accompanying Notes to Financial Statements.

Wyoming Area School District
Statement Of Net Position – Fiduciary Funds
June 30, 2024 with summarized comparative totals for 2023

	Private Purpose Trust	Custodial Funds		Custodial Funds	
		Student Activity Fund	Student/ Faculty Vending Fund	Totals	
				2024	2023
Assets					
Cash	\$ -	\$ 150,727	\$ 3,363	\$ 154,090	\$ 141,445
Total assets	-	150,727	3,363	154,090	141,445
Net position					
Restricted for student activities	-	150,727	3,363	154,090	141,445
Total net position	\$ -	\$ 150,727	\$ 3,363	\$ 154,090	\$ 141,445

See accompanying Notes to Financial Statements.

Wyoming Area School District
Statement Of Changes In Net Position – Fiduciary Funds
Year ended June 30, 2024 with summarized comparative totals for 2023

	Private Purpose Trust	Custodial Funds		Custodial Funds	
		Student Activity Fund	Student/ Faculty Vending Fund	Totals	
				2024	2023
Additions					
Local contributions	\$ -	\$ -	\$ 420	\$ 420	\$ 412
Receipts from student groups	-	241,251	-	241,251	285,796
Total additions	-	241,251	420	241,671	286,208
Deductions					
Student activity disbursements	-	228,774	252	229,026	249,156
Total deductions	-	228,774	252	229,026	249,156
Change in net position	-	12,477	168	12,645	37,052
Net position					
Beginning, as originally reported	59,796	138,250	3,195	201,241	104,393
Restatement (See Note 15)	(59,796)	-	-	(59,796)	-
Beginning of year, as restated	-	138,250	3,195	141,445	104,393
End of year	\$ -	\$ 150,727	\$ 3,363	\$ 154,090	\$ 141,445

See accompanying Notes to Financial Statements.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

1. ORGANIZATION AND PURPOSE

The Wyoming Area School District (the "District") operates a kindergarten, a primary school an intermediate school and a high school to provide education and related services to the municipalities of West Pittston, Exeter Borough, Wyoming, West Wyoming, and Exeter Township (Luzerne County), and Exeter Township (Wyoming County). The District operates under current standards prescribed by the Pennsylvania Department of Education in accordance with the provisions of the School Laws of Pennsylvania as a school district of the third class. The District operates under a locally elected nine-member board form of government (the "School Board").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in accordance with generally accepted accounting principles ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

Reporting Entity

GASB has established the criteria for determining the activities, organizations, and functions of government to be included in the financial statements of the reporting entity. In evaluating the District as a reporting entity, management has addressed all potential component units which may or may not fall within the District's accountability. The criteria used to evaluate component units for possible inclusion as part of the District's reporting entity are financial accountability and the nature and significance of the relationship. The District is considered to be an independent reporting entity and has no component units.

Basis of Presentation

Government-Wide Financial Statements

The statement of net position (deficit) and the statement of activities display information about the District as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities. These statements include the financial activities of the primary government except for fiduciary funds.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of the related cash flow. 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 as further defined below. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements of governmental funds.

The government-wide statement of net position (deficit) presents the financial position of the District which is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources and is classified in one of three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowing attributable to acquiring, constructing, or improving those assets. The net position of the District is reported as restricted when constraints placed on net position use is either externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

The statement of net position (deficit) includes separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

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

Except for interfund activity and balances between the funds that underlie governmental activities and the funds that underlie business-type activities, which are reported as transfers and internal balances, the effect of interfund activity has been removed from these statements.

Fund Financial Statements

During the school year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary fund financial statements are presented by fund type.

Governmental Funds

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. The District reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Capital Projects Fund accounts for financial resources restricted, committed, or assigned to be used for capital expenditures or for the acquisition, construction of capital facilities, improvements, and/or equipment.

The District also reports the following nonmajor governmental fund:

- The Scholarship Fund accounts for activities in various scholarship accounts, whose sole purpose is to provide annual scholarships to particular students as described by donor stipulations.

Wyoming Area School District

Notes to Financial Statements

June 30, 2024

Revenue Recognition

In applying the "susceptible to accrual concept" under the modified accrual basis, revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenue to be available if collected within 60 days of the end of the fiscal period, and other revenues to be available if collected within 180 days of the fiscal period. Deferred inflows of resources are reported in connection with receivables for tax revenues that are not considered to be available to liquidate liabilities of the current period. Revenue from federal, state, and other grants designated for payment of specific District expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are reported as unearned revenues until earned. Other receipts are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, special termination benefits, other post-employment benefits and claims and judgments are recorded only when payment is due. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Proprietary Funds

Like the government-wide financial statements, proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Allocations of certain costs, such as depreciation, are recorded in proprietary funds. The District reports the following proprietary fund:

- The Food Service Fund accounts for the revenues and costs of providing meals to students during the school year.

This fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's proprietary fund are charges for services. Operating expenses for the District's proprietary fund include employee benefits, purchased services, supplies and other costs. All revenues or expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds

Fiduciary funds reporting focuses on net assets and changes in net assets and are accounted for using the economic resources measurement focus and the accrual basis of accounting. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Custodial funds are used to account for assets held on behalf of individuals and/or governmental units and are, therefore, not available to support the District's own programs. The District has two custodial funds consisting of funds held on behalf of the students and a student/faculty vending fund.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

Investments

Investments are stated at fair value based upon quoted market prices, except for certificates of deposit which are recorded at cost, which approximates fair value.

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property Taxes

Taxes are levied on August 1 and are payable in the following periods:

August 1 – September 30	Discount period, 2% of gross levy
October 1 – November 30	Face period
December 1 – collection	Penalty period, 10% of gross levy
January 1	Lien date

The County Board of Assessments determines assessed valuations of property, and the District's taxes are billed and collected by local elected tax collectors. The tax on real estate for public school purposes for fiscal 2023-2024 was 19.7698 mills (\$19.7698 for \$1,000 of assessed valuation) for Luzerne County and 96.4006 mills (\$96.4006 for \$1,000 of assessed valuation) for Wyoming County. The District experiences very small losses from uncollectible property taxes. Property taxes constitute a lien against real property and usually can be collected in full when title transfers. Only balances that remain after tax sales are written off each year.

Taxpayers within the District have the option of paying in three installments. These installments have the following due dates:

Installment One	September 30
Installment Two	October 31
Installment Three	November 30

The discount (two percent) is not applicable to installment payments; however, the penalty (10 percent) will be added if second and third installments are paid subsequent to the due dates.

Prepaid Items and Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements.

All inventories are valued at the lower of cost (first-in, first-out method) or market.

Unearned Revenues

Unearned revenue arises when assets are recognized before revenue recognition criteria have been met.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed, inclusive of ancillary costs.

Property, plant, and equipment (net of salvage value) of the District is depreciated using the straight-line method over the following estimated useful lives: buildings and improvements – 20-50 years, and furniture, machinery, and equipment – 5-15 years.

Leases

The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the applicable governmental activities in the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease.

Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

Impairment of Long-Lived Assets

The District evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset is generally considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstances is outside the normal life cycle of the capital asset. If a capital asset is considered to be impaired, the amount of impairment is measured by the method that most reflects the decline in service utility of the capital asset at the lower of carrying value or fair value for impaired capital assets that will no longer be used by the District. No impairment losses were recognized in the year ended June 30, 2024.

Compensated Absences

District policies permit employees to accumulate earned but unused vacation and sick days. The liability for these compensated absences is recorded as a noncurrent liability in the government-wide financial statements. A liability for these amounts is recorded in the governmental funds' financial statements only to the extent they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bonds payable are reported net of the applicable bond premium or discount. Bond premiums and discounts are deferred and amortized over the life of the bonds. Deferred amounts on refunding are recorded as a deferred outflow of resources and amortized over the life of the old debt or the life of the new debt, whichever is shorter. All amounts are amortized using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources and uses. Premiums received and discounts paid on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures except for refunding's paid from proceeds which are reported as other financing costs.

Pension

The District contributes to the Public School Employees Retirement System (PSERS), a cost-sharing multiple-employer defined benefit pension plan. GASB establishes standards for the measurement, recognition, and display of pension expense and related liabilities, deferred outflows and deferred inflows of resources related to pension, certain required supplementary information, and note disclosures.

For the purpose of measuring net pension liability, deferred outflows of resources, and deferred inflows of resources related to pension and pension expense, information about the fiduciary net position of PSERS and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refund of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB)

The District's OPEB plans are accounted for under the provisions of GASB establishes standards for the measurement, recognition, and display of OPEB expense and related liabilities, deferred outflows and deferred inflows of resources related to other postemployment benefits, certain required supplementary information, and note disclosures. The District provides OPEB under the following two plans:

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

PSERS OPEB Plan

For purposes of measuring the net 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 PSERS and additions to/deductions from PSERS' fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

District OPEB Plan

The District sponsors a single-employer defined benefit OPEB plan. For purposes of measuring the total 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 OPEB plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. The District OPEB plan is unfunded.

Deferred Outflows for Pension and OPEB

Deferred outflows of resources for pension relate to the District's net pension liability and pension expense and arise from changes in assumptions, actual versus expected results, changes in benefits, variances in expected versus actual investment earnings, changes in the employer's proportion, differences between employer contributions and the proportionate share of total contributions reported by the pension plan, or changes in the internal allocation of the net pension liability between governmental and business-type activities or funds. These amounts are deferred and amortized over either a closed 5-year period or the average remaining service life of all employees depending on what gave rise to the deferred outflow. Also included in deferred outflows of resources are contributions made to the pension plan subsequent to the measurement date and prior to the District's year end. The contributions will be recognized as a reduction in net pension liability in the following year.

Deferred outflows of resources for other OPEB liabilities relate to the District's liability for OPEB other than pensions and related expenses and arise from the changes in assumptions, actual versus expected results, changes in benefits, variances in expected versus actual investment earnings, changes in the employer's proportion, differences between employer contributions and the proportionate share of total contributions reported by the plan, or changes in the internal allocation of the net OPEB liability between governmental and business-type activities or funds.

These amounts are deferred and amortized over either a closed 5-year period or the average remaining service life of all employees depending on what gave rise to the deferred outflow. Also included in deferred outflows of resource are contributions or OPEB payments made subsequent to the measurement date and prior to the District's year end. These payments will be recognized as a reduction to the net other postemployment benefit liability in the following year.

Deferred Inflows for Pension and OPEB

Deferred inflows of resources for pension relate to the District's net pension liability and pension expense and arise from changes in assumptions, actual versus expected results, changes in benefits, variances in expected versus actual investment earnings, changes in the employer's proportion, differences between employer contributions and the proportionate share of total contributions reported by the pension plan, or changes in the internal allocation of the net pension liability between governmental and business-type activities or funds. These amounts are deferred and amortized over either a closed 5-year period or the average remaining service life of all employees depending on what gave rise to the deferred inflow.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

Deferred inflows of resources for OPEB liabilities relate to the District's liability for OPEB other than pensions and related expenses and arise from the changes in assumptions, actual versus expected results, changes in benefits, variances in expected versus actual investment earnings, changes in the employer's proportion, differences between employer contributions and the proportionate share of total contributions reported by the plan, or changes in the internal allocation of the net OPEB liability between governmental and business-type activities or funds. These amounts are deferred and amortized over either a closed 5-year period or the average remaining service life of all employees depending on what gave rise to the deferred inflow.

Fund Equity

As prescribed by GASB, governmental funds report fund balance in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. The District reports the following fund balance classifications:

Nonspendable

Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form – such as inventory or prepaid insurance or (b) legally or contractually required to be maintained intact – such as a trust that must be retained in perpetuity.

Restricted

Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed

Committed fund balances are amounts that can only be used for specific purposes determined by a formal action of the District's highest level of decision-making authority, the School Board. Committed amounts cannot be used for any other purpose unless the School Board removes those constraints by taking the same type of formal action (e.g., resolution).

Assigned

Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Business Manager or (b) an appointed body (e.g., finance committee) or (c) an official to which the District has delegated the authority to assign, modify or rescind amounts to be used for specific purposes.

Assigned fund balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as non-spendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue fund or the capital projects fund are assigned for purposes in accordance with the nature of their fund type.

Unassigned

Unassigned fund balance is the residual classification for the General Fund. This classification represents General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Wyoming Area School District

Notes to Financial Statements

June 30, 2024

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources—committed, assigned or unassigned—in order as needed.

The School Board has set a General Fund maximum unassigned fund balance of 8% of the following year's expenditure budget in accordance with guidelines prescribed by the Pennsylvania Department of Education.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Data

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. Certain amounts presented in the prior year have been reclassified in order to be consistent with the current year's presentation. However, presentation of prior year totals by fund and activity type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Summarized comparative information should be read in conjunction with the District's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Implementation of New Accounting Pronouncements

Effective July 1, 2023, the District adopted the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The implementation of GASB Statement No. 100 impacted the District's financial statement reporting of a correction of an error as more fully described in Note 15.

New Accounting Pronouncements

GASB Statement No. 101, *Compensated Absences*, will be effective for the District for the year ended June 30, 2025. GASB Statement No. 101 will update the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. GASB Statement No. 101 will require that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

GASB Statement No. 102, *Certain Risk Disclosures*, will be effective for the District for the year ended June 30, 2025. The objective of GASB Statement No. 102 is to improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective for the District for the year ended June 30, 2026. The objective of GASB Statement No. 103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective for the District for the year ended June 30, 2026. The objective of GASB Statement No. 104 is to improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

An annual budget is adopted prior to the beginning of each year for the General Fund on a modified accrual basis of accounting. The General Fund is the only fund for which a budget is legally required, although project-length financial plans are adopted for the Capital Projects fund.

The District is required to publish notice by advertisement at least once in two newspapers of general circulation in the municipalities in which it is located, and within 20 days of final action, that the proposed budget has been prepared and is available for public inspection at the administrative offices of the District. Notice that public hearings will be held on the proposed operating budget must be included in the advertisement; such hearings are required to be scheduled at least 10 days prior to when final action on adoption is taken by the School Board.

After the legal adoption of the budget, the School Board is required to file a copy of the budget with the Pennsylvania Department of Education by July 31. Additional copies of the budget also are required to be filed with the House Education Committee and the Senate Education Committee by September 15.

Legal budgetary control is maintained at the sub-function/major object level. The School Board may make transfers of funds appropriated in any particular item of expenditure by legislative action in accordance with Pennsylvania School Code. Management may amend the budget at the sub-function/sub-object level without approval from the School Board. Appropriations lapse at the end of the fiscal period. Budgetary information reflected in the financial statements is presented at or below the level of budgetary control and includes the effect of approved budget amendments.

Expenditures in Excess of Appropriations

During the year ended June 30, 2024, the District had expenditures in excess of appropriations in the following sub-function/major objects:

Special programs	(254,037)
Vocational programs	(60,300)
Nonpublic programs	(10,322)
Pupil support services	(76,295)
Student transportation services	(169,568)
Support services - central	(28,581)
Student activities	(331,247)

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Deficit in Fund Equity

At June 30, 2024, the Food Service Fund, a major fund, had a deficit fund balance of \$946,833, resulting from allocating a portion of its net pension and OPEB liability to this fund. Since the Food Service Fund uses the economic resources measurement focus, these obligations are presented in the proprietary fund financial statements as liabilities and therefore reduces fund equity to an overall deficit. This deficit will be eliminated as resources are obtained (e.g. from revenues and transfers in) to make the periodic pension and OPEB contributions for participants in these plans.

4. DEPOSITS

State statutes authorize the District to invest in U.S. Treasury bills, time or share accounts of institutions insured by the Federal Deposit Insurance Corporation or in certificates of deposit when they are secured by proper bond or collateral, repurchase agreements, state treasurer's investment pools or mutual funds.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. At June 30, 2024, the carrying amount of the District's deposits was \$8,913,562 and the bank balance was \$9,856,498. The District is required by state statute to deposit funds in depositories that are either banks, banking institutions or trust companies located in Commonwealth of Pennsylvania. To the extent that such deposits exceed federal insurance, the depositories must pledge as collateral obligations of the United States, Commonwealth of Pennsylvania, or any political subdivision. Under Act 72 of 1971, as amended, the depositories may meet this collateralization requirement by pooling appropriate securities to cover all public funds on deposit. Of the bank balance, \$308,882 was covered by federal depository insurance and \$4,164,750 was collateralized by the District's depositories in accordance with Act 72 and the collateral was held by the depositories' agent in pooled public funds. The remaining cash deposits of the District are in the Pennsylvania Local Government Investment Trust ("PLGIT"). Although not registered with the Securities and Exchange Commission and not subject to regulatory oversight, PLGIT acts like money a market mutual fund in that their objective is to maintain a stable net asset value of \$1 per share, are rated by a nationally recognized statistical rating organization and are subject to an independent annual audit. As of June 30, 2024, PLGIT was rated as AAA by a nationally recognized statistical rating agency.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustment</u>	<u>Ending Balance</u>
Governmental activities					
Capital assets not being depreciated					
Land	\$ 108,195	\$ -	\$ -	\$ -	\$ 108,195
Construction in progress	1,194,239	1,326,450	1,555,171	-	965,518
Total capital assets not being depreciated	<u>1,302,434</u>	<u>1,326,450</u>	<u>1,555,171</u>	<u>-</u>	<u>1,073,713</u>
Capital assets being depreciated					
Buildings and improvements	47,378,959	801,918	-	-	48,180,877
Land improvements	2,019,880	767,045	-	-	2,786,925
Furniture and equipment	3,875,529	17,595	-	(18,000)	3,875,124
Vehicles	163,593	-	30,691	48,175	181,077
Right-to-use lease assets	151,132	-	-	-	151,132
Library and text books	378,507	-	-	-	378,507
Total capital assets being depreciated	<u>53,967,600</u>	<u>1,586,558</u>	<u>30,691</u>	<u>30,175</u>	<u>55,553,642</u>
Less accumulated depreciation for					
Buildings and improvements	(26,936,962)	(783,967)	-	-	(27,720,929)
Land improvements	(1,949,076)	(34,746)	-	-	(1,983,822)
Furniture and equipment	(3,610,209)	(6,570)	-	-	(3,616,779)
Vehicles	(96,529)	(17,042)	(30,691)	(21,075)	(103,955)
Right-to-use lease assets	(70,134)	(36,516)	-	-	(106,650)
Library and text books	(378,507)	-	-	-	(378,507)
Total accumulated depreciation	<u>(33,041,417)</u>	<u>(878,841)</u>	<u>(30,691)</u>	<u>(21,075)</u>	<u>(33,910,642)</u>
Total capital assets being depreciated, net	<u>20,926,183</u>	<u>707,717</u>	<u>-</u>	<u>9,100</u>	<u>21,643,000</u>
Governmental activities, net	<u>22,228,617</u>	<u>2,034,167</u>	<u>1,555,171</u>	<u>9,100</u>	<u>22,716,713</u>
Business-type activities					
Machinery and equipment	878,004	4,000	-	-	882,004
Less accumulated depreciation	(818,469)	(12,062)	-	-	(830,531)
Business-type activities, net	<u>\$ 59,535</u>	<u>\$ (8,062)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,473</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities	
Instruction	\$ 637,920
Instructional student support	51,395
Administrative and financial support services	65,417
Operation and maintenance of plant services	122,458
Student activities	22,726
Total depreciation expense – governmental activities	<u>\$ 899,916</u>
Business-type activities	
Food service	<u>\$ 12,062</u>

As of June 30, 2024, the District had outstanding construction commitments totaling \$1,607,348 for various capital projects including HVAC upgrades and fencing.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

6. INTERNAL RECEIVABLES AND PAYABLES AND TRANSFERS

A summary of interfund balances for the year ended June 30, 2024 is as follows:

<u>Receivable To</u>	<u>Amount</u>	<u>Payable From</u>	<u>Amount</u>
General fund	\$ 97,615	Food service fund	\$ 97,615
Capital projects fund	287,416	General fund	287,416

Interfund balances between funds represent temporary loans recorded at year-end as the result of a final allocation of revenues and expenditures.

<u>Transfers In</u>	<u>Amount</u>	<u>Transfers out</u>	<u>Amount</u>
Food Service Fund	\$ 96,261	General fund	\$ 96,261

Transfers from the General Fund to the Food Service Fund were to subsidize food service operations.

7. NONCURRENT LIABILITIES

The following summarizes the changes in noncurrent liabilities for the year ended June 30, 2024:

	<u>Balance July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2024</u>	<u>Amount Due Within One Year</u>
Governmental activities					
General obligation debt					
Bonds and notes payable*	\$ 19,270,000	\$ -	\$ 1,195,000	\$ 18,075,000	\$ 1,240,000
Bond premiums	783,569	-	115,577	667,992	-
Note payable - direct placement*	273,874	1,826,126	5,000	2,095,000	5,000
Total general obligation debt	<u>20,327,443</u>	<u>1,826,126</u>	<u>1,315,577</u>	<u>20,837,992</u>	<u>1,245,000</u>
Other noncurrent liabilities					
Leases payable	85,638	-	31,170	54,468	24,922
Compensated absences	608,755	146,970	138,490	617,235	8,079
Retirement incentive plans	177,392	34,617	95,955	116,054	56,595
Total OPEB liability*	8,495,786	1,023,578	189,006	9,330,358	237,368
Net OPEB liability - PSERS*	1,964,701	-	109,777	1,854,924	-
Net pension liability - PSERS*	47,364,931	-	1,885,459	45,479,472	-
Total other noncurrent liabilities	<u>58,697,203</u>	<u>1,205,165</u>	<u>2,449,857</u>	<u>57,452,511</u>	<u>326,964</u>
Total noncurrent liabilities - governmental activities	<u>\$ 79,024,646</u>	<u>\$ 3,031,291</u>	<u>\$ 3,765,434</u>	<u>\$ 78,290,503</u>	<u>\$ 1,571,964</u>
Business-type activities					
Other noncurrent liabilities					
Compensated absences*	\$ 13,500	\$ 4,680	\$ 4,830	\$ 13,350	\$ 475
Total OPEB liability*	95,926	8,281	15,780	88,427	4,881
Net OPEB liability - PSERS*	43,580	-	2,435	41,145	-
Net pension liability - PSERS*	1,050,617	-	41,822	1,008,795	-
Total other noncurrent liabilities	<u>1,203,623</u>	<u>12,961</u>	<u>64,867</u>	<u>1,151,717</u>	<u>5,356</u>
Total noncurrent liabilities - business-type activities	<u>\$ 80,228,269</u>	<u>\$ 12,961</u>	<u>\$ 64,867</u>	<u>\$ 1,151,717</u>	<u>\$ 5,356</u>

Noncurrent liabilities are generally liquidated by the General Fund and Food Service Fund.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

8. GENERAL OBLIGATION DEBT

General obligation debt is a direct obligation of the District for which full faith and credit are pledged and is payable from unrestricted resources. The District has not pledged any assets as collateral for general obligation debt. General obligation debt was issued to finance capital expenditures or to finance the retirement (refund) of prior obligation debt.

General obligation debt outstanding as of June 30, 2024 consisted of the following:

<u>Description</u>	<u>Interest Rate(s)</u>	<u>Issue Amount</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
General obligation bonds				
Series of 2021A	2.00% - 4.00%	\$ 8,005,000	11/1/2032	\$ 7,995,000
Series of 2021B	2.00% - 4.00%	4,815,000	11/1/2039	1,690,000
Total general obligation bonds				<u>9,685,000</u>
General obligation notes				
Series of 2019A	2.75%	1,255,000	11/1/2035	1,255,000
Series of 2019B	2.51% - 3.26%	7,170,000	11/1/2034	7,135,000
Series of 2022	4.100 - 4.470%	2,100,000	11/1/2039	2,095,000
Total general obligation notes				<u>10,485,000</u>
Total general obligation debt				<u><u>\$ 20,170,000</u></u>

Annual debt service requirements to maturity on these obligations are as follows:

<u>Year ending June 30,</u>	<u>Principal Maturities</u>	<u>Interest Maturities</u>	<u>Total Maturities</u>
2025	\$ 1,245,000	\$ 588,423	\$ 1,833,423
2026	1,295,000	539,430	1,834,430
2027	1,340,000	488,024	1,828,024
2028	1,380,000	451,648	1,831,648
2029	1,410,000	427,214	1,837,214
2030 - 2034	7,615,000	1,574,467	9,189,467
2035 - 2039	5,220,000	464,527	5,684,527
2040	665,000	12,135	677,135
	<u>\$ 20,170,000</u>	<u>\$ 4,545,868</u>	<u>\$ 24,715,868</u>

9. LEASES PAYABLE

The District has entered into a 60-month lease as lessee for a vehicle. An initial lease liability was recorded in the amount of \$48,900. As of June 30, 2024, the value of the lease liability is \$3,797. The District is required to make monthly fixed payments of \$962. The lease has an imputed interest rate of 6.75% and equipment's estimated useful life was 5 years as of the contract commencement. The value of the right to use asset as of June 30, 2024, was \$0 with accumulated amortization of \$48,174 as is included with noncurrent assets on the statement of net position (deficit).

Wyoming Area School District
Notes to Financial Statements
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The District has entered into a 60-month lease as lessee for multifunction printers. An initial lease liability was recorded in the amount of \$102,958. As of June 30, 2024, the value of the lease liability is \$50,671. The District is required to make monthly fixed payments of \$1,901. The lease has an imputed interest rate of 4.10% and the equipment's estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of June 30, 2024 was \$44,482 with accumulated amortization of \$58,476 as is included with noncurrent assets on the statement of net position (deficit).

Future minimum lease payments under this lease are as follows:

<u>Year ending June 30,</u>	
2025	\$ 26,658
2026	22,807
2027	7,603
Less: amount representing interest	<u>(2,600)</u>
Present value of minimum lease payments	<u><u>\$ 54,468</u></u>

10. RETIREMENT INCENTIVE PLAN

The teachers' collective bargaining agreement provides an incentive provision for early retirement. The incentive program will pay the teacher a percentage of their salary based on their number of years of credited service.

The District's liability for its retirement incentive plan has been reported at the discounted present value of expected future benefit payments in the government-wide financial statements. For the year ended June 30, 2024, 14 retirees received benefits under the retirement incentive totaling \$116,054.

Future minimum payments under the retirement incentive plan are as follows:

<u>Year ending June 30,</u>	
2025	\$ 56,595
2026	33,497
2027	25,962
	<u><u>\$ 116,054</u></u>

11. PENSION PLAN

Plan Description

The Pennsylvania Public School Employees' Retirement System ("PSERS") is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in PSERS include all full-time public employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.state.pa.us.

Wyoming Area School District
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Benefits Provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service.

Act 5 of 2017 (Act 5) introduced a hybrid benefit with two membership classes and a separate defined contribution plan for individuals who become new members on or after July 1, 2019. Act 5 created two new hybrid membership classes, Membership Class T-G (Class T-G) and Membership Class T-H (Class T-H) and the separate defined contribution membership class, Membership Class DC (Class DC). To qualify for normal retirement, Class T-G and Class T-H members must work until age 67 with a minimum of 3 years of credited service. Class T-G may also qualify for normal retirement by attaining a total combination of age and service that is equal to or greater than 97 with a minimum of 35 years of credited service.

Benefits are generally between 1% to 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Wyoming Area School District
Notes to Financial Statements
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Contributions

Member Contributions

The contribution rates based on qualified member compensation for virtually all members are presented below:

Member Contribution Rates				
Membership Class	Continuous Employment Since	Defined Benefit (DB) Contribution Rate	DC Contribution Rate	Total Contribution Rate
T-C	Prior to July 22, 1983	5.25%	N/A	5.25%
				6.25%
T-C	On or after July 22, 1983	6.25%	N/A	6.25%
T-D	Prior to July 22, 1983	6.50%	N/A	6.50%
T-D	On or after July 22, 1983	7.50%	N/A	7.50%
T-E	On or after July 1, 2011	7.50% base rate with shared risk provision	N/A	Prior to 7/1/21: 7.50% After 7/1/21: 8.00%
T-F	On or after July 1, 2011	10.30% base rate with shared risk provision	N/A	Prior to 7/1/21: 10.30% After 7/1/21: 10.8%
T-G	On or after July 1, 2019	5.50% base rate with shared risk provision	2.75%	Prior to 7/1/21: 8.25% After 7/1/21: 9.00%
T-H	On or after July 1, 2019	4.50% base rate with shared risk provision	3.00%	Prior to 7/1/21: 7.50% After 7/1/21: 8.25%
DC	On or after July 1, 2019	N/A	7.50%	7.50%

Shared Risk Program Summary				
Membership Class	Defined Benefit (DB) Base Rate	Shared Risk Increment	Minimum	Maximum
T-E	7.50%	+/-0.50%	5.50%	9.50%
T-F	10.30%	+/-0.50%	8.30%	12.30%
T-G	5.50%	+/-0.75%	2.50%	8.50%
T-H	4.50%	+/-0.75%	1.50%	7.50%

Employer Contributions

The District's contractually required contribution rate for fiscal year ended June 30, 2024, was 33.36% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the plan from the District were \$5,429,680 for the year ended June 30, 2024.

Wyoming Area School District
Notes to Financial Statements
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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 of \$46,488,267 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by rolling forward PSERS' total pension liability as of June 30, 2022, to June 30, 2023. The District's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2024, the District's proportion was 0.1045 percent, which was a decrease of 0.0016 percent from its proportion measured as of June 30, 2023. As of June 30, 2024, the net pension liability of \$45,479,472 is related to the governmental funds and is recorded in the governmental activities in the government-wide statement of net position (deficit) and the remaining \$1,008,795 of the net pension liability is recorded as a liability in the proprietary fund statement of net position, and in the business-type activities in the government-wide statement of net position (deficit).

For the year ended June 30, 2024, the District recognized pension expense of \$4,218,000. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual experience	\$ 11,000	\$ 637,000
Changes in assumptions	694,000	-
Net difference between projected and actual investment earnings	1,315,000	-
Changes in proportions	1,314,000	1,809,000
Contributions subsequent to the measurement date	5,429,680	-
	<u>\$ 8,763,680</u>	<u>\$ 2,446,000</u>

\$5,429,680 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2025	\$ 283,000
2026	(744,000)
2027	910,000
2028	439,000
	<u>\$ 888,000</u>

Wyoming Area School District
Notes to Financial Statements
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Actuarial Assumptions

The total pension liability as of June 30, 2023, was determined by rolling forward PSERS's total pension liability as the June 30, 2022, actuarial valuation to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

- Valuation date – June 30, 2023
- Actuarial cost method – entry age normal – level % of pay
- Investment return – 7.00%, includes inflation at 2.75%
- Salary growth – Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 retiree tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 improvement scale.
- The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022, and as of June 30, 2023.
- Demographic and economic assumptions approved by the Board for use effective with the June 30, 2021, actuarial valuation:

Salary growth rate - decreased from 5.00% to 4.50%.

- Real wage growth and merit or seniority increases (components for salary growth) - decreased from 2.75% and 2.25% to 2.50% and 2.00%, respectively.
- Salary growth rate - decreased from 5.00% to 4.50%.
- Mortality rates - Previously based on the RP-2014 mortality tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 mortality improvement scale. Effective with the June 30, 2021, actuarial valuation, mortality rates are based on a blend of 50% PubT-2010 and 50% PubG-2010 retiree tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 improvement scale.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial valuation experience study that was performed for the five year period ending June 30, 2020.

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns net of 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The plan's policy in regard to the allocation of invested plan assets is established and may be amended by the board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Wyoming Area School District
Notes to Financial Statements
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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	30.00%	5.20%
Private equity	12.00%	7.90%
Fixed income	33.00%	3.20%
Commodities	7.50%	2.70%
Infrastructure/MLPs	10.00%	5.40%
Real estate	11.00%	5.70%
Absolute return	4.00%	4.10%
Cash	3.00%	1.20%
Leverage	-10.50%	1.20%
	<u>100.00%</u>	

The above as the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2023.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. 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.

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

The following represents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	<u>\$ 60,261,611</u>	<u>\$ 46,488,267</u>	<u>\$ 34,867,686</u>

Pension Plan Fiduciary Net Position

Detailed information about the PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the system's website at www.psers.state.pa.us.

Wyoming Area School District
Notes to Financial Statements
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12. OTHER POST-EMPLOYMENT BENEFITS

Single-Employer Defined Benefit OPEB Plan

The District's other post-employment benefits ("OPEB") include a single-employer defined benefit plan that provides for specific early retirement incentive payments and healthcare benefits until age 65 to all retirees. The School Board has the authority to establish and amend benefit provisions. The OPEB Plan does not issue any financial report and is not included in the report of any public employee retirement system or any other entity.

OPEB Plan Membership

Membership in the OPEB plan consisted of the following at July 1, 2022:

Active employees not fully eligible	302
Active employees fully eligible but not yet receiving benefits	-
Retired employees and spouses receiving benefits	9
Total	<u>311</u>

Funding Policy

The District's contributions are funded on a pay-as-you-go basis. The contribution requirements of retirees are established and may be amended by the School Board.

OPEB Liability

The District's OPEB liability has been measured as of June 30, 2024. The total OPEB liability was determined by an actuarial valuation as of July 1, 2022, and by rolling forward the liabilities from the July 1, 2022, actuarial valuation through the measurement date. No significant events or changes in assumptions occurred between the valuation date and the fiscal year end. As of June 30, 2024, the OPEB liability of \$9,330,358 is related to the governmental funds and is recorded in the governmental activities in the government-wide statement of net position (deficit) and the remaining \$88,427 of the OPEB liability is recorded as a liability in the proprietary fund statement of net position, and in the business-type activities in the government-wide statement of net position (deficit).

The District's change in its OPEB liability for the year ended June 30, 2024, was as follows:

Balance as of July 1, 2023	<u>\$ 8,591,712</u>
Changes for the year:	
Service cost	526,218
Interest on total OPEB liability	365,684
Changes in assumptions	139,957
Benefit payments	<u>(204,786)</u>
Net changes	<u>827,073</u>
Balance as of June 30, 2024	<u><u>\$ 9,418,785</u></u>

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$612,448. At June 30, 2024, the District had deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual experience	\$ -	\$ 1,489,362
Changes in assumptions	1,115,643	2,685,605
Benefit payments subsequent to measurement date	242,249	-
	<u>\$ 1,357,892</u>	<u>\$ 4,174,967</u>

\$242,249 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the 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 OPEB expense as follows:

<u>Year ended June 30,</u>	
2025	\$ (279,454)
2026	(279,454)
2027	(279,454)
2028	(279,454)
2029	(279,453)
Thereafter	(1,662,055)
	<u>\$ (3,059,324)</u>

Sensitivity of the OPEB Liability to Change in Healthcare Cost Trend Rates

The following presents the OPEB liability for June 30, 2024, calculated using current healthcare cost trends as well as what the OPEB liability would be if health cost trends were 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Trend Rate	1% Increase
OPEB liability	<u>\$ 8,215,099</u>	<u>\$ 9,418,785</u>	<u>\$ 10,829,920</u>

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District calculated using the discount rate of 4.13%, as well as what the OPEB liability would be if it were calculated using the discount rate that is 1-percentage point lower (3.13%) or 1-percentage point higher (5.13%) than the current rate:

	1% Decrease	Current Discount	1% Increase
	3.13%	Rate	5.13%
	3.13%	4.13%	5.13%
OPEB liability	<u>\$ 10,189,378</u>	<u>\$ 9,418,785</u>	<u>\$ 8,686,680</u>

Wyoming Area School District

Notes to Financial Statements

June 30, 2024

Actuarial Methods and Significant Assumptions

The OPEB Liability as of June 30, 2024, was determined by rolling forward the OPEB Liability as of July 1, 2022, to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - entry age normal
- Discount rate – 4.13% - Standard and Poor's 20-year municipal bond rate. The discount rate changed from 4.06% to 4.13%.
- Salary growth – salary increases are composed of 2.50% costs of living adjustment, 1.50% for real wage growth and for teachers and administrators a merit increase which varies by age from 2.75% to 0.00%.
- Assumed healthcare cost trends – 7.00% in 2023, decreasing until 5.50% in 2026. Rates gradually decrease from 5.40% in 2027 to 4.10% in 2075 and later.
- Mortality – PubT-2010 headcount-weighted mortality table including rates for contingent survivors for teachers and PubG-2010 headcount-weighted mortality table including rates for contingent survivors for all other employees.

Cost Sharing Multiple-Employer Defined Benefit OPEB Plan

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

Plan Description

The System provides Premium Assistance which is a governmental cost sharing, multiple-employer other postemployment benefit plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002, under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2023, there were no assumed future benefit increases to participating eligible retirees.

Retirees of the System can participate in the Premium Assistance program if they satisfy the following criteria:

- Have 24 ½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

For Class DC members to become eligible for premium assistance, they must satisfy the following criteria:

- Attain Medicare eligibility with 24 ½ or more eligibility points, or
- Have 15 or more eligibility points and terminated
- Have received all or part of their distributions

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' health options program. As of June 30, 2023, there were no assumed future benefit increases to participating eligible retirees.

Employer Contributions

The District's contractually required contribution rate for the fiscal year ended June 30, 2023, was 0.64% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the District were \$104,167 for the year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability of \$1,896,069 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward PSERS' total OPEB liability as of June 30, 2022, to June 30, 2023. The District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2024, the District's proportion was 0.1048 percent, which was a decrease of 0.0043 percent from its proportion measured as of June 30, 2023. As of June 30, 2024, the net OPEB liability of \$1,854,924 is related to the governmental funds and is recorded in the governmental activities in the government-wide statement of net position (deficit) and the remaining \$41,145 of the net OPEB liability is recorded as a liability in the proprietary fund statement of net position, and in the business-type activities in the government-wide statement of net position (deficit).

For the year ended June 30, 2023, the District recognized OPEB expense of \$28,000. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual experience	\$ 12,000	\$ 19,000
Changes in assumptions	164,000	359,000
Net difference between projected and actual investment earnings	4,000	-
Changes in proportions	93,000	110,000
Contributions subsequent to the measurement date	104,167	-
	<u>\$ 377,167</u>	<u>\$ 488,000</u>

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

\$104,167 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the 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 OPEB expense as follows:

<u>Year ended June 30,</u>	
2025	\$ (32,000)
2026	(44,000)
2027	(54,000)
2028	(65,000)
2029	(20,000)
	<u><u>\$ (215,000)</u></u>

Actuarial Assumptions

The net OPEB liability as of June 30, 2023, was determined by rolling forward the PSERS' net OPEB liability as of June 30, 2022, to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - entry age normal - level % of pay
- Investment return – 4.13% - Standard & Poor's 20 year municipal bond rate
- Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Premium assistance reimbursement is capped at \$1,200 per year.
- Assumed healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 retiree tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 improvement scale.

Participation rate:

- Eligible retirees will elect to participate pre age 65 at 50%
- Eligible retirees will elect to participate post age 65 at 70%

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study that was performed for the five year period June 30, 2020.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2021, determined the employer contribution rate for fiscal year 2023.
- Cost method - amount necessary to assure solvency of premium assistance through the third fiscal year after the valuation date.
- Asset valuation method: market value.
- Participation rate: the actual data for retirees benefiting under the OPEB plan as of June 30, 2022, was used in lieu of the 63% utilization assumption for eligible retirees.
- Mortality tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 mortality improvement scale.

Investments consist primarily of short term assets designed to protect the principal of the OPEB plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for health insurance premium assistance are established to provide reserves in the health insurance account that are sufficient for the payment of health insurance premium assistance benefits for each succeeding year.

<u>OPEB – Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	100.00%	1.20%

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2023.

Discount Rate

The discount rate used to measure the net OPEB liability was 4.13%. Under the OPEB plan's funding policy, contributions are structured for short term funding of health insurance premium assistance. The funding policy sets contribution rates necessary to assure solvency of health insurance premium assistance through the third fiscal year after the actuarial valuation date. The health insurance premium assistance account is funded to establish reserves that are sufficient for the payment of health insurance premium assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the OPEB plan is considered a "pay-as-you-go" plan. A discount rate of 4.13%, which represents the Standard & Poor's 20-year municipal bond rate at June 30, 2023, was applied to all projected benefit payments to measure the total OPEB liability.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

Sensitivity of District's Proportionate Share of the Net OPEB Liability to Change in Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees receiving less than \$1,200 in annual health insurance premium assistance. As of June 30, 2023, retirees health insurance premium assistance benefits are not subject to future healthcare cost increases. The healthcare insurance premium assistance reimbursement for qualifying retirees is capped at a maximum of \$1,200. The actual number of retirees receiving less than the \$1,200 per year cap is a small percentage of the total population and has a minimal impact on healthcare cost trends as depicted below.

The following presents the net OPEB liability for June 30, 2023, calculated using current healthcare cost trends as well as what net OPEB liability would be if its health cost trends were 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	<u>\$ 1,895,891</u>	<u>\$ 1,896,069</u>	<u>\$ 1,896,212</u>

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, calculated using the discount rate of 4.13%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.13%) or 1-percentage-point higher (5.13%) than the current rate:

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
District's proportionate share of the net OPEB liability	<u>\$ 2,143,728</u>	<u>\$ 1,896,069</u>	<u>\$ 1,688,762</u>

OPEB Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on PSERS's website at www.psers.pa.gov.

13. JOINT VENTURE AND JOINTLY GOVERNED ORGANIZATION

West Side Career And Technology Center

The District and four other Luzerne county school districts participate in the west side area career and technology center (the "WSCTC"). The WSCTC provides vocational-technical training and education to students of the participating school districts. The WSCTC is controlled by a joint board comprised of representative school board members of participating school districts. District oversight of the WSCTC operations is the responsibility of the joint board. The District's share of operating costs for the WSCTC fluctuates based on the district's percentage of enrollment. The District share of operating costs for 2023-2024 was \$829,164.

The WSTC prepares financial statements that are available to the public from their administrative office located at 75 Evans Street, Kingston, Pennsylvania 18704.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

Luzerne Intermediate Unit

The District and eleven other school districts in Luzerne and Wyoming Counties are participating members of the Luzerne Intermediate Unit (the "LIU"). The LIU is a regional educational service agency, established by the Commonwealth of Pennsylvania, which is governed by a joint committee consisting of School Board members from each participating district. The School Board of each participating district must approve the annual program budget for the LIU but the participating districts have no ongoing fiduciary interest or responsibility to the LIU. The LIU is a self-sustaining organization that provides a broad array of services to participating districts which include: curriculum development and instructional improvement; educational planning services; instructional material; continuing professional development; pupil personnel services; management services and federal liaison services. During 2023-2024 the District contracted with the LIU for services which totaled \$1,104,554.

14. CONTINGENCIES AND COMMITMENT

Government grants and awards

The District receives federal, state, and local funding under a number of programs. Payments made by these sources under contractual agreements are provisional and subject to redetermination based on filing of reports and audits of those reports. Final settlements due from or to these sources are recorded in the year in which the related services are performed. Any adjustments resulting from subsequent examinations are recognized in the year in which the results of such examinations become known. District officials do not expect any significant adjustments as a result of these examinations.

Litigation

The District is a defendant in various matters of litigation and claims. These matters result from the normal course of business. It is not presently possible to determine the ultimate outcome or settlement cost, if any, of these matters.

15. 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. Significant losses are covered by commercial insurance for all major programs including workers' compensation. For insured programs, there were no significant reductions in insurance coverages during the 2023-2024 year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The District along with nine other Pennsylvania public school entities within northeastern Pennsylvania participate in the northeast Pennsylvania school district's health trust (the "trust"). The trust is a public entity risk pool designed to provide health and welfare benefits and reimbursement and/or to provide stop-loss coverage for self-funded benefits, and/or to provide death and/or disability benefits through the life or disability insurance on the life of any participant or group coverage for participants. The trust was established for the sole and exclusive benefit of the employees of the member public school entities. The trust agreement permits members to withdraw from the trust under terms as specified in the agreement. Withdrawing members are required to pay to the trust fund all required contributions for claims incurred on behalf of participants and beneficiaries in the trust fund who are the employees of the withdrawing public school entity. Each member is assessed an amount based on prior experience of claims. All claims are then paid from the pool with a stop-loss agreement in effect for claims in excess of \$200,000 per claim. If there is a deficiency in the pooled funds, each member is assessed an amount equal to the percentage produced by dividing the member's contributions for the fiscal year by the fiscal year contributions from all members. As of June 30, 2024, the District is not aware of any additional assessments relating to the trust.

Wyoming Area School District
Notes to Financial Statements
June 30, 2024

16. ACCOUNTING CHANGES AND ERROR CORRECTIONS

(A) Error Corrections

For the year ended June 30, 2024, the District reviewed the allocation of Pension and OPEB liabilities, and related deferred outflows and inflows of resources. From this review the District changed the estimate to include a portion of those liabilities within the food service enterprise fund. The change is being applied retrospectively. The effect of this change in the current period is an increase of \$1,063,949 in governmental activities net position and a decrease in business-type activities net position as of July 1, 2023, as well as a \$1,063,949 decrease in the net position of the food service enterprise fund. Additionally, the district identified that \$13,500 of compensated absences had been excluded in error from the 6/30/2023 financial statements. The effect of this change in the current period is a decrease in business-type activities and food service enterprise fund net position by \$13,500 as of July 1, 2023. The effect of the error correction is shown in column A of the table below.

(B) Changes to Financial Reporting Entity

For the year ended June 30, 2024, the District noted that the majority of the activity in the Private Purpose Trust fund was no longer administered and overseen by external entities, and that the District has taken over administrative control of the assets and decision making process. This changed the proper treatment of the fund from a Private Purpose Trust fund to a Scholarship fund, a nonmajor special revenue fund. The effect of the change to the reporting entity is shown in column B of the table below.

	Balance as Previously Reported at June 30, 2023	Error Correction (A)	Changes to Financial Reporting Entity (B)	Balance As Adjusted July 1, 2023
Government-Wide:				
Governmental activities net position	\$ (50,285,869)	\$ 1,063,949	\$ 59,796	\$ (49,162,124)
Business-type activities net position	3,908	(1,077,449)	-	(1,073,541)
Total primary government	<u>\$ (50,281,961)</u>	<u>\$ (13,500)</u>	<u>\$ 59,796</u>	<u>\$ (50,235,665)</u>
Proprietary Funds:				
Food Service Fund net position	\$ 3,908	\$ (1,077,449)	\$ -	\$ (1,073,541)
Total Proprietary Funds	<u>\$ 3,908</u>	<u>\$ (1,077,449)</u>	<u>\$ -</u>	<u>\$ (1,073,541)</u>
Fiduciary Funds:				
Private Purpose Trust Fund	<u>\$ 59,796</u>	<u>\$ -</u>	<u>\$ (59,796)</u>	<u>\$ -</u>

17. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 23, 2025, the date on which the financial statements were available to be issued. No material subsequent events have occurred since June 30, 2024 that required recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Wyoming Area School District
Budgetary Comparison Schedule – General Fund
Year Ended June 30, 2024

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Local sources*	\$ 22,888,338	\$ 23,561,724	\$ 673,386
State sources	18,127,438	18,604,023	476,585
Federal sources*	4,622,526	2,643,430	(1,979,096)
Total revenues	45,638,302	44,809,177	(829,125)
Expenditures			
Instruction			
Regular programs	18,902,166	18,771,557	130,609
Special programs	7,431,805	7,685,842	(254,037)
Vocational programs	1,180,683	1,240,983	(60,300)
Other instructional programs	1,047,157	752,437	294,720
Nonpublic programs	-	10,322	(10,322)
Total instruction	28,561,811	28,461,141	100,670
Support services			
Pupil support services	1,154,053	1,230,348	(76,295)
Instructional staff services	380,880	296,851	84,029
Administrative services	2,230,778	2,199,636	31,142
Pupil health	839,104	755,140	83,964
Business services	380,455	348,475	31,980
Operations and maintenance of plant services	6,511,136	4,751,460	1,759,676
Student transportation services	3,043,619	3,213,187	(169,568)
Support services - central	244,579	273,160	(28,581)
Other support services	31,000	25,953	5,047
Total support services	14,815,604	13,094,210	1,721,394
Operation of noninstructional services			
Student activities	635,097	966,344	(331,247)
Community services	111,869	72,812	39,057
Total operation of noninstructional services	746,966	1,039,156	(292,190)
Facilities acquisition, construction improvement services	7,500	-	7,500
Debt service	2,100,733	1,950,295	150,438
Total expenditures	46,232,614	44,544,802	1,687,812
Exceed (deficiency) of revenues over (under) expenditures	(594,312)	264,375	858,687

Wyoming Area School District
Budgetary Comparison Schedule – General Fund (Continued)
Year Ended June 30, 2024

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other financing sources (uses)			
Sale of fixed assets	-	810	810
Total other financing sources (uses)	-	810	810
Net change in fund balance	\$ (594,312)	265,185	\$ 859,497
Fund balance			
Beginning of year, as restated**		4,001,355	
End of year		\$ 4,266,540	

* The District budgets for certain federal grants passed through LIU as local source revenue, while it is recorded as federal grant revenue for revenue for GAAP purposes

** Restated to remove Athletic fund fund balance

Reconciliation to GAAP Basis

	Revenues	Expenditures	Fund Balance
Balance, Budgetary Basis	\$ 44,809,987	\$ 44,544,802	\$ 4,266,540
Athletic fund fund balance is not budgeted but is included for GAAP	-	-	2,547
Athletic Fund activity is not budgeted for but is included in			
General fund for GAAP purposes	73,503	71,944	-
Transfers to the Athletic fund are eliminated for GAAP purposes	(20,000)	(20,000)	-
Balance, GAAP Basis	\$ 44,863,490	\$ 44,596,746	\$ 4,269,087

Wyoming Area School District
Schedule Of The District's Proportionate Share Of The Net Pension Liability - PSERS
Year ended June 30

	Measurement Date									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.1045%	0.1061%	0.1089%	0.1032%	0.1061%	0.1057%	0.1050%	0.1039%	0.1140%	0.1205%
District's proportionate share of the net pension liability	\$ 46,488,267	\$ 52,243,000	\$ 48,415,548	\$ 42,370,545	\$ 52,243,000	\$ 49,449,000	\$ 50,405,000	\$ 51,315,000	\$ 56,495,000	\$ 52,195,000
District's covered payroll	\$ 16,054,110	\$ 16,044,960	\$ 14,703,159	\$ 14,640,555	\$ 15,298,409	\$ 14,142,679	\$ 13,832,423	\$ 14,758,837	\$ 14,339,602	\$ 13,731,912
District's proportionate share of the net pension liability as a percentage of its covered payroll	289.57%	325.60%	329.29%	289.41%	341.49%	349.64%	364.40%	347.69%	393.98%	380.10%
Plan fiduciary net position as a percentage of the total pension liability	61.85%	54.32%	61.34%	63.67%	54.32%	55.66%	54.00%	51.84%	50.14%	54.36%

Wyoming Area School District
Schedule Of The District's Pension Plan Contributions - PSERS
Year ended June 30

	<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 contribution	\$ 5,429,680	\$ 5,471,242	\$ 5,428,359	\$ 4,904,394	\$ 4,906,050	\$ 4,956,033	\$ 4,725,039	\$ 4,480,186	\$ 4,309,580	\$ 3,584,766
Contributions in relation to the contractually required contribution	<u>5,429,680</u>	<u>5,471,242</u>	<u>5,428,359</u>	<u>4,904,394</u>	<u>4,906,050</u>	<u>4,956,033</u>	<u>4,725,039</u>	<u>4,480,186</u>	<u>4,309,580</u>	<u>3,584,766</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 16,276,019	\$ 16,054,110	\$ 16,044,960	\$ 14,703,159	\$ 14,640,555	\$ 15,298,409	\$ 14,142,679	\$ 13,832,423	\$ 14,758,837	\$ 14,339,602
Contributions as a percentage of covered payroll	33.36%	34.08%	33.83%	33.36%	33.51%	32.40%	33.41%	32.39%	29.20%	25.00%

Wyoming Area School District
Schedule Of Changes In OPEB Liability – Single Employer Plan
Year ended June 30

	2024	2023	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY							
Service cost	\$ 526,218	\$ 863,124	\$ 871,362	\$ 670,357	\$ 671,073	\$ 629,899	\$ 602,828
Interest on total OPEB liability	365,684	268,021	208,343	340,710	288,817	283,943	208,977
Differences between expected and actual experience	-	(731,958)	-	(1,235,544)	-	(29,276)	-
Changes of assumptions	139,957	(2,625,753)	(364,116)	1,256,980	(305,194)	(11,390)	278,965
Benefit payments	(204,786)	(161,231)	(143,965)	(206,113)	(205,055)	(399,547)	(485,144)
Net change in total OPEB liabilities	827,073	(2,387,797)	571,624	826,390	449,641	473,629	605,626
Total OPEB liability, beginning	8,591,712	10,979,509	10,407,885	9,581,495	9,131,854	8,658,225	8,052,599
Total OPEB liability, ending	<u>\$ 9,418,785</u>	<u>\$ 8,591,712</u>	<u>\$ 10,979,509</u>	<u>\$ 10,407,885</u>	<u>\$ 9,581,495</u>	<u>\$ 9,131,854</u>	<u>\$ 8,658,225</u>
Fiduciary net position as a % of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 15,405,853	\$ 15,405,853	\$ 14,147,462	\$ 14,147,462	\$ 13,944,444	\$ 13,944,444	\$ 13,248,878
Net OPEB liability as a % of covered payroll	61.14%	55.77%	77.61%	73.57%	68.71%	65.49%	65.35%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

Wyoming Area School District
Schedule Of The District's Proportionate Share Of The Net OPEB Liability – PSERS
Year ended June 30

	Measurement Date							
	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability	0.1048%	0.1091%	0.1037%	0.1061%	0.1057%	0.1050%	0.1039%	0.1140%
District's proportionate share of the net OPEB liability	\$ 1,896,069	\$ 2,008,281	\$ 2,457,776	\$ 2,305,000	\$ 2,248,000	\$ 2,189,000	\$ 2,117,000	\$ 2,456,000
District's covered payroll	\$ 16,054,110	\$ 16,044,960	\$ 14,703,159	\$ 14,970,684	\$ 14,581,371	\$ 14,142,679	\$ 13,832,423	\$ 14,758,837
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	11.81%	12.52%	16.72%	15.40%	15.42%	15.42%	15.30%	16.64%
Plan fiduciary net position as a percentage of the total OPEB liability	7.22%	5.30%	5.30%	5.69%	5.69%	5.56%	5.73%	5.73%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

Wyoming Area School District
Schedule Of The District's OPEB Plan Contributions – PSERS
Year Ended December 31, 2024

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 104,167	\$ 120,641	\$ 126,954	\$ 120,671	\$ 126,000	\$ 121,000	\$ 117,000	\$ 115,000
Contributions in relation to the contractually required contribution	104,167	120,641	126,954	120,671	126,000	121,000	117,000	115,000
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
District's covered payroll	\$ 16,276,094	\$ 16,054,110	\$ 16,044,960	\$ 14,703,159	\$ 14,970,684	\$ 14,581,371	\$ 14,142,679	\$ 13,832,472
Contributions as a percentage of covered payroll	0.64%	0.75%	0.79%	0.82%	0.84%	0.83%	0.83%	0.83%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

SINGLE AUDIT

Wyoming Area School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor / Pass-Through Grantor / Project Title	Source Code	Federal ALN Number	Pass-Through Grantor's Number	Grant Period Beginning / Endind Dates	Grant Amount	Total Received For Year	Accrued (Deferred) Revenue July 1, 2023	Revenue Recognized	Expenditures	Accrued (Deferred) Revenue June 30, 2024	Pass- Through to Subrecipients
<u>U.S. Department of Education</u>											
Passed through the Pennsylvania Department of Education:											
Title I - Improving Basic Programs	I	84.010	013-230495	07/01/22 - 09/30/23	\$ 820,327	\$ 290,305	\$ 13,120	\$ 284,658	\$ 284,658	7,473	\$ -
Title I - Improving Basic Programs	I	84.010	013-240495	07/01/23 - 09/30/24	801,213	309,051	-	427,163	427,163	118,112	-
Total ALN #84.010						599,356	13,120	711,821	711,821	125,585	-
Title II - Improving Teacher Quality	I	84.367	020-230495	07/01/22 - 09/30/23	107,788	-	(2,620)	2,620	2,620	-	-
Title II - Improving Teacher Quality	I	84.367	020-240495	07/01/23 - 09/30/24	77,674	72,324	-	76,832	76,832	4,508	-
Title II - Improving Teacher Quality	I	84.367	020-130495	07/01/12 - 09/30/13	127,075	-	(513)	-	-	(513)	-
Total ALN #84.367						72,324	(3,133)	79,452	79,452	3,995	-
Title IV - Student Support & Academic Enrichment Grants	I	84.424	144-220495	07/01/22 - 09/30/22	50,340	-	(1,991)	1,991	1,991	-	-
Title IV - Student Support & Academic Enrichment Grants	I	84.424	144-230495	07/01/22 - 09/30/23	55,634	13,236	9,294	3,942	3,942	-	-
Title IV - Student Support & Academic Enrichment Grants	I	84.424	144-240495	07/01/23 - 09/30/24	64,219	34,580	-	60,315	60,315	25,735	-
Total ALN #84.424						47,816	7,303	66,248	66,248	25,735	-
Education Stabilization Fund:											
COVID-19 - ESSER III	I	84.425U	223-210495	03/13/20 - 09/30/24	4,999,887	1,909,048	669,747	1,422,184	1,422,184	182,883	-
COVID-19 - ESSER 7%	I	84.425U	225-210495	03/13/20 - 09/30/24	388,603	98,915	(19,584)	127,163	127,163	8,664	-
COVID-19 - 2.5%	I	84.425U	224-210495	03/13/20 - 09/30/24	50,635	11,968	(4,227)	44,735	44,735	28,540	-
COVID-19 - ESSER Homeless Children and Youth	I	84.425W	181-212494	07/21/21 - 09/30/24	13,897	713	(1,425)	686	686	(1,452)	-
Total ALN #84.425						2,020,644	644,511	1,594,768	1,594,768	218,635	-
Passed through the Luzerne Intermediate Unit											
Special Education - Grants to States	I	84.027	062-230018	07/01/22 - 06/30/23	323,746	323,746	323,746	-	-	-	-
Special Education - Grants to States	I	84.027	062-240018	07/01/23 - 06/30/24	351,814	-	-	351,814	351,814	351,814	-
Special Education - Grants to States	I	84.027	062-220018	07/01/21 - 09/30/23	70,725	70,725	-	70,725	70,725	-	-
Total ALN #84.027						394,471	323,746	422,539	422,539	351,814	-
Total U.S. Department of Education						3,134,611	985,547	2,874,828	2,874,828	725,764	-
<u>U.S. Department of Health and Human Services</u>											
Passed through the Pennsylvania Department of Human Services:											
Medical Assistance Program	I	93.778	N/A	07/01/22 - 06/30/23	20,727	9,656	9,656	-	-	-	-
Medical Assistance Program	I	93.778	N/A	07/01/23 - 06/30/24	13,239	2,574	-	13,239	13,239	10,665	-
Total ALN #93.778						12,230	9,656	13,239	13,239	10,665	-
Total U.S. Department of Health and Human Services						12,230	9,656	13,239	13,239	10,665	-

See Notes to Schedule of Expenditures of Federal Awards.

Wyoming Area School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor / Pass-Through Grantor / Project Title	Source Code	Federal ALN Number	Pass-Through Grantor's Number	Grant Period Beginning / Endind Dates	Grant Amount	Total Received For Year	Accrued (Deferred) Revenue July 1, 2023	Revenue Recognized	Expenditures	Accrued (Deferred) Revenue June 30, 2024	Pass- Through to Subrecipients
U.S. Department of Agrilculture											
Passed through the Pennsylvania Department of Education:											
P-EBT Local Admin Funds	I	10.649	N/A	07/01/23 - 06/30/24	N/A	3,256	-	3,256	3,256	-	-
School Breakfast Program	I	10.553	N/A	07/01/22 - 06/30/23	N/A	4,472	4,472	-	-	-	-
School Breakfast Program	I	10.553	N/A	07/01/23 - 06/30/24	N/A	181,521	-	211,597	211,597	30,076	-
Total ALN #10.553						185,993	4,472	211,597	211,597	30,076	-
National School Lunch Program	I	10.555	N/A	07/01/22 - 06/30/23	N/A	8,460	8,460	-	-	-	-
National School Lunch Program	I	10.555	N/A	07/01/23 - 06/30/24	N/A	474,451	-	562,238	562,238	87,787	-
Supply Chain Assistance	I	10.555	N/A	07/01/23 - 06/30/24	N/A	52,420	-	52,420	52,420	-	-
Passed through the Pennsylvania Department of Agriculture:											
National School Lunch Program	I	10.555	N/A	07/01/23 - 06/30/24	N/A	57,122	-	57,122	57,122	-	-
Total ALN #10.555						592,453	8,460	671,780	671,780	87,787	-
Total U.S. Department of Agrilculture						781,702	12,932	886,633	886,633	117,863	-
Total Federal Awards						\$ 3,928,543	\$ 1,008,135	\$ 3,774,700	\$ 3,774,700	\$ 854,292	\$ -
Special Education Cluster (ALN's #84.027)						\$ 394,471	\$ 323,746	\$ 422,539	\$ 422,539	\$ 351,814	\$ -
Child Nutrition Cluster (ALN's #10.553 and #10.555)						\$ 778,446	\$ 12,932	\$ 883,377	\$ 883,377	\$ 117,863	\$ -
Medicaid Cluster (ALN's #93.778)						\$ 12,230	\$ 9,656	\$ 13,239	\$ 13,239	\$ 10,665	\$ -

Source Codes

I - Indirect Funding

S - State Share

ALN - Assistance Listing Number

See Notes to Schedule of Expenditures of Federal Awards.

Wyoming Area School District
Notes to Schedule of Expenditures of Federal Awards
June 30, 2024

1. FEDERAL EXPENDITURES

The Schedule of Expenditures of Federal Awards reflects federal expenditures for all individual grants which were active during the fiscal year.

2. BASIS OF ACCOUNTING

The District uses the modified accrual method of recording transactions except as noted for the accounting of donated commodities in Note 3. Revenues are recorded when measurable and available. Expenditures are recorded when incurred.

3. NONMONETARY FEDERAL AWARDS – DONATED FOOD

The Commonwealth of Pennsylvania distributes federal surplus food to institutions (schools, hospitals, and prisons) and to the needy. Expenditures reported in the Schedule of Expenditures of Federal Awards and Certain State Grants under Assistance Listing #10.555 USDA Commodities represent federal surplus food consumed by the District during the 2023-2024 fiscal year.

4. ACCESS PROGRAM

The District participates in the ACCESS Program which is a medical assistance program that reimburses local educational agencies for direct eligible health-related services provided to enrolled special needs students. Reimbursements are federal source revenues but are classified as fee-for-service and are not considered federal financial assistance. The amount of ACCESS funding recognized for the year ended June 30, 2024, was \$177,904.

5. INDIRECT COSTS

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



**INDEPENDENT AUDITORS' 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**

Board of School Directors
Wyoming Area School District
Exeter, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wyoming Area School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Wyoming Area School District's basic financial statements, and have issued our report thereon dated September 23, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of finding and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Wyoming Area School District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Wyoming Area School District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Wyoming Area School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

West Hartford, Connecticut
September 23, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
REQUIRED BY THE UNIFORM GUIDANCE**

Board of School Directors
Wyoming Area School District
Exeter, Pennsylvania

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Wyoming Area School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Wyoming Area School District's major federal program for the year ended June 30, 2024. The Wyoming Area School District's major federal program are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on The Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Wyoming Area School District, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Wyoming Area School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Wyoming Area School 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 Wyoming Area School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Wyoming Area School 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 Wyoming Area School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Wyoming Area School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Wyoming Area School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

West Hartford, Connecticut
September 23, 2025

**Wyoming Area School District
Schedule Of Findings and Questioned Costs
Year ended June 30, 2024**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? yes x none reported
2. Type of auditors' report issued on compliance for federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)

84.425U, 84.425W

Name of Federal Program or Cluster

COVID-19 – Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 x yes no

Wyoming Area School District
Schedule Of Findings and Questioned Costs
Year ended June 30, 2024

Section II – Financial Statement Findings

Finding: 2024-001

Financial Statement Close Process

Material Weakness in Internal Control Over Financial Reporting

Condition: During the performance of the audit procedures we noted that the District's trial balance did not include entries for the food service enterprise fund's share of the District's pension and OPEB liabilities, and related deferred outflows and inflows of resources. As a result, material adjustments and restatements to net position were needed to report on the governmental activities, business-type activities, and food service proprietary funds in accordance with GAAP.

Criteria or Specific Requirement: The District is responsible for issuing financial statements that are free of material misstatements, and liabilities should be recorded in the funds they will be liquidated from.

Effect: The financial statements would have contained material errors without the inclusion of the audit entries.

Cause: The District had not considered whether an allocation for pension and OPEB to the food service proprietary fund was necessary.

Repeat Finding: No

Recommendation: We recommend that the District review the enterprise fund annually to ensure all noncurrent liabilities for which the proprietary fund may be liable are recorded within the fund appropriately.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with this finding. The District will record an allocation of pension and OPEB liabilities, as well as related deferred inflows and outflows of resources to business-type activities and food service proprietary fund statements.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Summary Schedule of Prior Audit Findings

None

