

County: Mingo  
RFP: 24-086

MINGO COUNTY BOARD OF EDUCATION

FINANCIAL STATEMENTS

JUNE 30, 2024

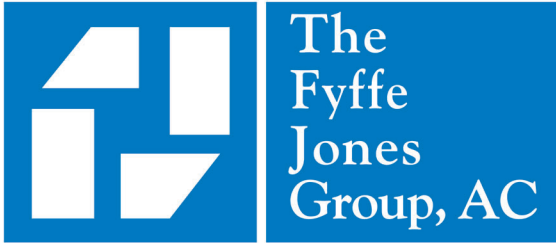
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## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Mingo County Board of Education  
Williamson, West Virginia

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Mingo County Board of Education as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board'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 and each major fund of the Mingo County Board of Education, as of June 30, 2024, and the respective changes in financial position, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Mingo County Board of Education 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.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Mingo County Board of Education'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' Responsibility***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 Mingo County Board of Education'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 Mingo County Board of Education'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.

## ***Other Matters***

### ***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 pension and OPEB information on pages 4 through 13 and 54 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance

on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mingo County Board of Education’s basic financial statements. The accompanying schedule of expenditures of federal awards, budgetary comparison information for the other major funds, the schedule of changes in school activity funds, the schedule of excess levy revenues and expenditures, and the schedule of state grant receipts and expenditures is presented 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, budgetary comparison information for the other major funds, the schedule of changes in school activity funds, the schedule of excess levy revenues and expenditures, and the schedule of state grant receipts and expenditures are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2025, on our consideration of the Board’s internal control over financial reporting and our testing of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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 Board’s internal control over financial reporting and compliance.



THE FYFFE JONES GROUP, AC

Huntington, West Virginia

February 6, 2025

MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Our discussion and analysis of the Mingo County Board of Education's financial performance provides an overview of the Board's financial activities for the fiscal year ended June 30, 2024. Please read this discussion and analysis in conjunction with the Board's basic financial statements, which are presented immediately following this Management's Discussion and Analysis.

**Financial Highlights**

- The Board's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by approximately \$107 million at the close of the most recent fiscal year. Of this amount, \$17.3 million may be used to meet the Board's ongoing obligations to citizens and creditors.
- The Board's total net position increased by approximately \$8.3 million. Approximately \$6.5 million of this increase is attributable to the district's investment in capital assets.
- As of the close of the current fiscal year, the Board's governmental funds reported combined ending fund balances of approximately \$20.8 million, an increase of approximately \$900 thousand in comparison with the prior year. Approximately \$5.5 million of this total amount is available for spending at the Board's discretion.
- At the end of the current fiscal year, unassigned fund balance for the general fund was approximately \$5.5 million or 13 percent of total general fund expenditures.

**Overview of the Financial Statements**

The discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. The Board's basic financial statements comprise three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**District-wide financial statements** - The district-wide financial statements are designed to provide readers with a broad overview of the Board's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Board's assets, deferred outflows of resources, liabilities, and deferred inflow of resources. Net position is reported as assets plus deferred outflows of resources minus liabilities minus deferred inflows of resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing or 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).

The district-wide financial statements can be found on pages 14 and 15 this report.

MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Fund financial statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Board only operates governmental funds.

*Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on near-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 a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Board maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the special revenue funds, the permanent improvement fund, and the capital projects fund, all of which are considered major funds as found on pages 16 and 18.

**Notes to the basic financial statements** - The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 20 through 53 following the basic financial statements.

### **District-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Board, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by approximately \$107 million at the close of the most recent fiscal year.

- The largest portion of the Board's net position, \$85.5 million, or 80%, reflects its investment in capital assets (e.g. land, buildings, furniture and equipment, vehicles), less any related debt used to acquire those assets that is still outstanding. The Board uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the Board's investment in 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.
- An additional portion of the Board's net position, \$4.5 million, or 4%, represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for capital projects.



MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

- The remaining balance of *unrestricted net position*, \$17.3 million, or 16%, may be used to meet the Board's obligations to students, employees, and creditors and to honor next year's budget.

The following summarizes the statement of net position at June 30, 2024 in comparison with June 30, 2023:

	<b>2024</b>	<b>2023</b>	
	<b>Governmental</b>	<b>Governmental</b>	
	<b>Activities</b>	<b>Activities</b>	<b>Variance</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>			
Current and other assets	\$ 28,703,174	\$ 26,952,767	\$ 1,750,407
Capital assets	85,648,626	79,274,730	6,373,896
ROU assets	193,394	299,368	(105,974)
Deferred outflows of resources	1,255,352	1,477,725	(222,373)
Net other post employment benefit (OPEB) asset - Proportionate share	185,924	-	185,924
<b>Total assets and deferred outflows of resources</b>	<b>\$ 115,986,470</b>	<b>\$ 108,004,590</b>	<b>\$ 7,981,880</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>			
<b>Liabilities and deferred inflows of resources:</b>			
Current and other liabilities	\$ 6,051,419	\$ 5,654,444	\$ 396,975
Long-term liabilities	354,324	319,964	34,360
Deferred inflows of resources	423,227	972,721	(549,494)
Net other post employment benefit (OPEB) liability - Proportionate share	-	93,122	(93,122)
Net pension liability - Proportionate share	1,888,417	2,036,227	(147,810)
<b>Total liabilities and deferred inflows of resources</b>	<b>8,717,387</b>	<b>9,076,478</b>	<b>(359,091)</b>
<b>Net position:</b>			
Net investment in capital assets	85,511,895	79,004,666	6,507,229
Restricted	4,478,148	5,150,786	(672,638)
Unrestricted	17,279,040	14,772,660	2,506,380
<b>Total net position</b>	<b>107,269,083</b>	<b>98,928,112</b>	<b>8,340,971</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 115,986,470</b>	<b>\$ 108,004,590</b>	<b>\$ 7,981,880</b>

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The key elements of the increase of the Board's net position for the year ended June 30, 2024 are as follows:

- Current and other assets increased by approximately \$1.5 million, which is due to an increase in the board's cash balance at year end due to timing of expenditures related to the Federal Stimulus and Stabilization Fund, and also due to an increase in taxes receivable at year end.
- Capital assets increased by approximately \$6.4 million, which is primarily related to an increase in construction in progress assets greater than annual depreciation.
- Right-of-Use assets decreased by approximately \$106 thousand which represents the amortization and termination of underlying agreements.
- Deferred outflow of resources decreased by approximately \$222 thousand, which was primarily due to the change in the district's net pension liability and the district's OPEB liability.
- Current and other liabilities increased by approximately \$650 thousand, which was primarily the result of salaries payable and accounts payable.
- Long-term liabilities decreased by approximately \$218 thousand, which was primarily the result of repayment of principal on outstanding obligations.
- Deferred inflows of resources decreased by approximately \$549 thousand, which was primarily the result of the district share of OPEB liability.
- At the end of the fiscal year, the Board is able to report positive balances in all of the three categories of net position. The same situation held true for the prior fiscal year.
- Restricted net position increased by \$673 thousand during the fiscal year ended June 30, 2024. This decrease is the result of the restricted funds related to capital improvements.
- The Board's net position increased by \$8.3 million during the current year.

MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

The following summarizes the statement of activities for the year ended June 30, 2024, in comparison with the year ended June 30, 2023:

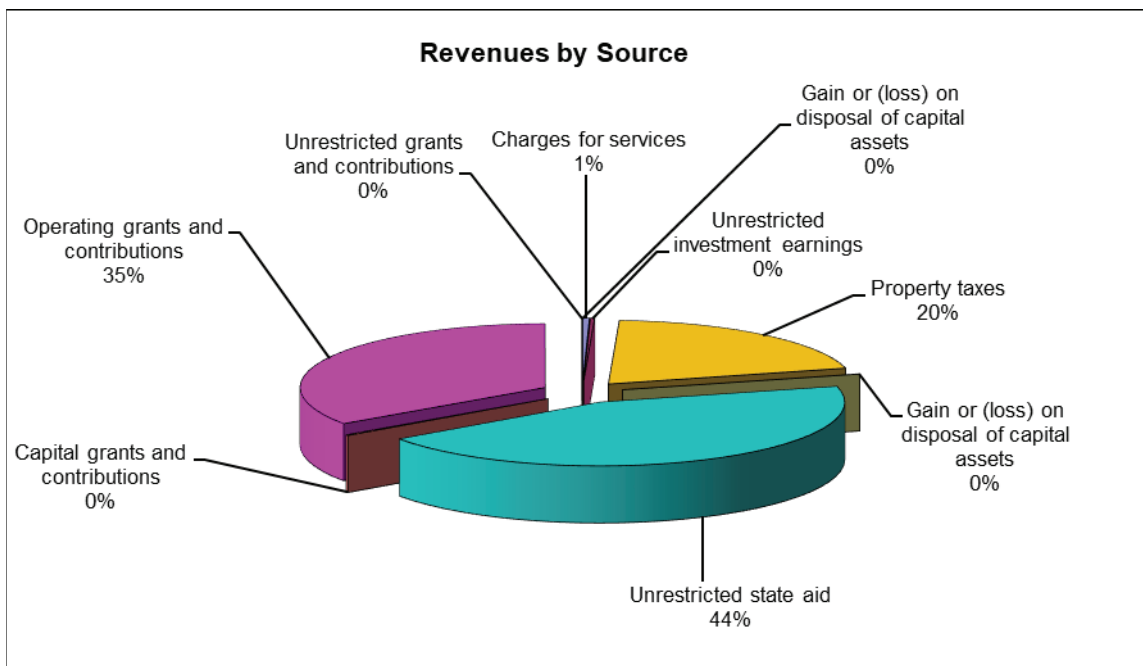
	<b>2024</b>	<b>2023</b>	
	<b>Governmental</b>	<b>Governmental</b>	<b>Variance</b>
	<b>Activities</b>	<b>Activities</b>	
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 269,565	\$ 195,443	\$ 74,122
Operating grants and contributions	21,296,798	15,737,036	5,559,762
Capital grants and contributions	108,388	722,297	(613,909)
General revenues:			
Property taxes	12,470,095	11,181,519	1,288,576
Unrestricted state aid	27,176,675	24,770,852	2,405,823
Unrestricted investment earnings	170,028	35,671	134,357
Gain/(Loss) on sale of capital assets	(15,189)	(42,184)	26,995
Gain/(Loss) on termination of ROU assets	(12,522)	(8,515)	(4,007)
<b>Total revenues</b>	<b>61,463,838</b>	<b>52,592,119</b>	<b>8,871,719</b>
<b>Expenses:</b>			
Instruction	27,021,218	26,895,834	125,384
Supporting services:			
Students	3,055,657	2,947,859	107,798
Instructional staff	1,472,232	1,595,659	(123,427)
General administration	648,227	579,691	68,536
School administration	2,567,728	2,353,964	213,764
Central services	904,142	837,202	66,940
Operation and maintenance of facilities	8,259,280	7,275,036	984,244
Student transportation	4,958,395	4,573,110	385,285
Other	25,086	25,301	(215)
<b>Total supporting services</b>	<b>21,890,747</b>	<b>20,187,822</b>	<b>1,702,925</b>
Food services	3,782,031	3,378,772	403,259
Community services	143,185	196,300	(53,115)
Interest on long-term debt	15,000	17,964	(2,964)
<b>Total Expenses</b>	<b>52,852,181</b>	<b>50,676,692</b>	<b>2,175,489</b>
<b>Change in net position</b>	<b>8,611,657</b>	<b>1,915,427</b>	<b>6,696,230</b>
<b>Net position - Beginning</b>	<b>98,928,112</b>	<b>97,012,685</b>	<b>1,915,427</b>
<b>Prior period adjustments</b>	<b>(270,686)</b>	<b>-</b>	<b>(270,686)</b>
<b>Net position - Beginning, as restated</b>	<b>98,657,426</b>	<b>97,012,685</b>	<b>1,644,741</b>
<b>Net position - Ending</b>	<b>\$ 107,269,083</b>	<b>\$ 98,928,112</b>	<b>\$ 8,340,971</b>

MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

The key elements of the changes in the Board's statement of activities for the year ended June 30, 2024 are as follows:

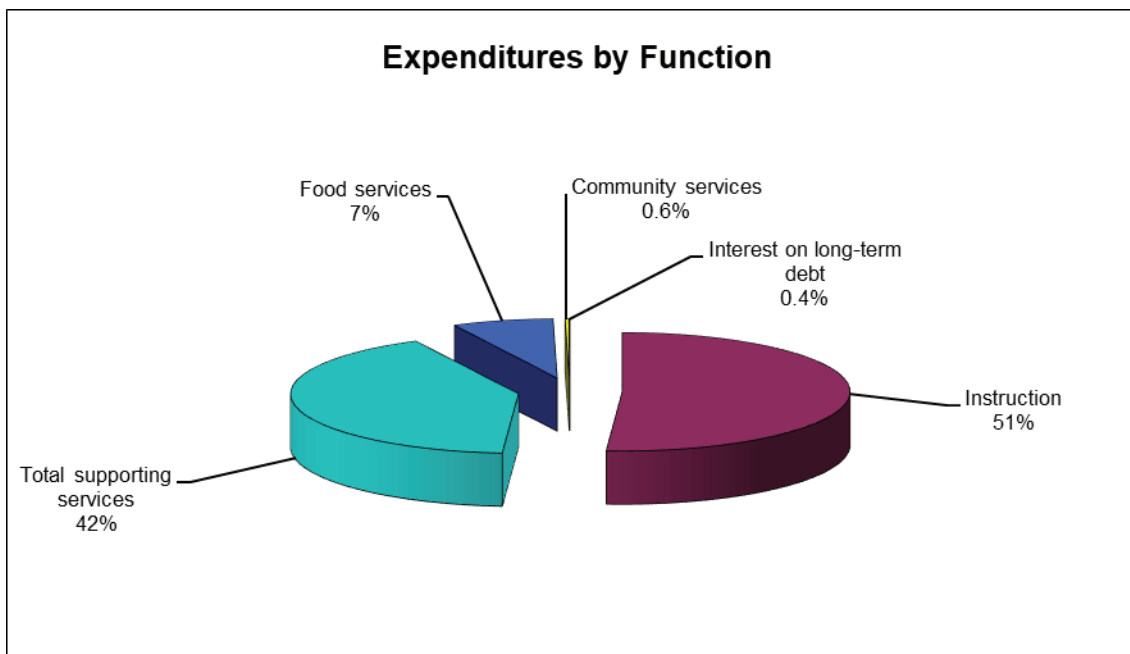
- Charges for services increased by approximately \$74 thousand which was primarily the result of an increase in Medicaid revenue to the district.
- Operating grants and contributions increased by approximately \$5.6 million which was primarily the result of an increase in reimbursable expenditures related to the county's response to the COVID-19 pandemic.
- Capital grants and contributions decreased by approximately \$614 thousand which was primarily the result of a decrease in revenue due to the completion of a School Building Authority project related to roof repairs at Lenore K8 school.
- General revenues from property taxes increased by approximately \$1.3 million which was primarily the result of an increase in property taxes amounts within the county.
- General revenues from unrestricted state aid increased by approximately \$2.4 million, which was primarily the result of an increase in salaries and benefits.
- Unrestricted investment earnings increased approximately \$134 thousand due mainly to the district's investment in the West Virginia Board of Treasury Investments Government Money Market Pool during the current year.

The following chart shows the Board's revenues for fiscal year ended June 30, 2024, by source:



MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

The following chart shows the Board's expenditures for fiscal year ended June 30, 2024, by function:



### Financial Analysis of the Board's Funds

As noted earlier, the School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of the Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Board's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As the Board completed the year, its governmental funds reported a combined fund balance of \$20.8 million. Included in this year's change in the combined fund balance is \$356 thousand in nonspendable, \$5.4 million in restricted, \$146 thousand in committed, \$9.4 million in assigned, and an unassigned balance of \$5.5 million.

Governmental funds report the differences between their assets, deferred outflows, liabilities, and deferred inflows as fund balance, which is divided into nonspendable, restricted, committed, assigned and unassigned portions. Nonspendable, restricted, committed, and assigned indicate the portion of the Board's fund balances that are not available for appropriation. The unassigned fund balance is available financial resources in governmental funds.

The Board had six major funds for the fiscal year ended June 30, 2024. Those funds are the General Current Expense Fund, Special Revenue Funds, Permanent Fund, and Capital Project Fund

#### *General Current Expense Fund*

This is the principal operation fund which accounts for all financial resources of the Board except those required to be accounted for in another fund. The fund balance increased from \$14 million to \$15.4

MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

million during the fiscal year ended June 30, 2024. As previously discussed, this increase of \$1.4 million was due primarily to an increase in local property tax revenues.

*Special Revenue Fund*

This is an operating fund of the Board and accounts for all revenues and expenditures attributable to state and federal grants and other revenue sources that are legally restricted to expenditures for specific purposes. The fund balance increased from \$1.55 million to \$1.56 million during the fiscal year ended June 30, 2024, an increase of \$14 thousand.

*Special Revenue Federal Stimulus and Stabilization Fund*

This is a separate special revenue fund to account for all revenue and expenditures attributable to funds received as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, The Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the American Rescue Plan (ARP) Act, which are legally restricted to expenditures for specific purposes. There is no change to report at this time and the current balance of the fund at June 30, 2024 is \$0.

*Special Revenue School Activity Fund*

This is a separate special revenue fund to account for the financial resources received and held by each school to support co-curricular and extra-curricular student activities in which the Board has administrative involvement. The fund balance increased from \$826 thousand to \$933 thousand during the fiscal year ended June 30, 2024.

*Permanent Improvement Fund*

This is a separate fund established under the authority of West Virginia Code §18-9B-14 to account for the proceeds of resources and subsequent expenditures for capital improvement activities. The proceeds of the fund must be used only for the support of building and capital improvements and cannot be transferred out of the fund. The fund balance decreased from \$1.5 million to \$894 thousand during the fiscal year ended June 30, 2024. This decrease of \$606 thousand was due primarily to a decrease in transfers from other funds.

*Capital Projects Fund*

This is a separate fund used to account for all financial resources used to acquire or construct specific major capital facilities other than by the sale of bonds or the reservation of monies in a permanent improvement fund. The fund balance decreased from \$2.06 million to \$2.01 million during the fiscal year ended June 30, 2024, a decrease of \$46 thousand.

**General Fund Budgetary Highlights**

During the year, the Board revised the budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$2.3 million or 6% in total general fund expenditures.

MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Capital Asset, Right-of-Use Assets, and Debt Administration**

**Capital assets** - The Board's investment in capital assets for its governmental activities as of June 30, 2024, amounts to \$85.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and vehicles. The total increase in the Board's investment in capital assets for the current fiscal year was 8%.

Major capital asset events during the current fiscal year include the increase of approximately \$4.5 million to the construction in process account, as it relates ongoing capital improvements of HVAC systems at Williamson K8 and Tug Valley High School.

	<b>2024</b>	<b>2023</b>	
	<b>Governmental</b>	<b>Governmental</b>	
	<b>Activities</b>	<b>Activities</b>	<b>Variance</b>
Land	\$ 7,038,858	\$ 7,038,858	\$ -
Land improvements	3,083,619	3,108,366	(24,747)
Construction in process	5,993,758	1,483,267	4,510,491
Buildings and improvements	63,568,657	62,618,948	949,709
Furniture and equipment	3,574,610	2,785,249	789,361
Vehicles	2,389,124	2,240,042	149,082
<b>Total capital assets</b>	<b>\$ 85,648,626</b>	<b>\$ 79,274,730</b>	<b>\$ 6,373,896</b>

Additional information on the Board's capital assets can be found in notes to the basic financial statements.

**Right-of-Use assets** – The Board's investment in Right-of-Use assets for its governmental activities as of June 30, 2024, amounts to \$193 thousand (net of accumulated amortization). This investment in right-of-use assets includes furniture and equipment and SBITAs. The total decrease in the Board's investment in right-of-use assets for the current fiscal year was 35%.

	<b>2024</b>	<b>2023</b>	
	<b>Governmental</b>	<b>Governmental</b>	
	<b>Activities</b>	<b>Activities</b>	<b>Variance</b>
Furniture and equipment	\$ 20,456	\$ 36,201	\$ (15,745)
SBITAs	172,938	263,167	(90,229)
<b>Total ROU assets</b>	<b>\$ 193,394</b>	<b>\$ 299,368</b>	<b>\$ (105,974)</b>

Additional information on the Board's right-of-use assets can be found in notes to the basic financial statements.

MINGO COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Long-term debt** - At the end of the current fiscal year, the Board had total financed purchase obligations of \$558 thousand.

	<b>2024</b>	<b>2023</b>	
	<b>Governmental</b>	<b>Governmental</b>	<b>Variance</b>
	<b>Activities</b>	<b>Activities</b>	
General obligation bonds	\$ 136,731	\$ 270,064	\$ (133,333)
Finance lease obligations	21,308	35,462	(14,154)
SBITA obligations	183,369	-	183,369
Compensated absences	217,072	189,786	27,286
<b>Total debt outstanding</b>	<b>\$ 558,480</b>	<b>\$ 495,312</b>	<b>\$ 63,168</b>

Additional information on the Board's long-term debt can be found in the notes to the basic financial statements.

**Factors Bearing on the Board's Future**

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

- Continued decline in student enrollment in the county which has already impacted state aid revenue for the district. The Public-School Support Program provides state funding to West Virginia school districts based on total student enrollment for the county, so continued declines are expected to result in continued reductions in state revenue.
- Management is also concerned about the current inflationary environment immediately following the COVID-19 pandemic. High inflation has caused increased costs which have not yet significantly stretched the General Current Expense Fund due to the availability of American Rescue Plan funds to sustain the district. Upon exhaustion of the American Rescue Plans awarded to the district, management anticipates exceptionally significant budget issues and the likely cessation of programs and significant reduction in personnel.

**Contacting the Board's Financial Management**

This financial report is designed to provide our citizens and taxpayers with a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Mingo County Board Office, Route 2, Box 310, Williamson, WV 25661, or by phone at (304) 235-3333.



MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF NET POSITION  
JUNE 30, 2024

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 21,955,884
Taxes receivable, net of allowance for uncollectible taxes	2,513,015
Deposit with retirement board	69,248
Other receivables	206,499
Prepaid workers' compensation	60,866
Other prepaid expenses	226,377
Due from other governments:	
State aid receivable	236,506
PEIA allocation receivable	639,602
Reimbursements receivable	2,795,177
Total current assets:	28,703,174
Capital Assets:	
Land	7,038,858
Land improvements	3,997,061
Buildings and improvements	108,608,208
Furniture and equipment	6,478,198
Vehicles	7,272,906
Construction in process	5,993,758
Less accumulated depreciation	(53,740,363)
Total capital assets, net of depreciation	85,648,626
Right-of-Use Assets:	
Equipment	56,637
SBITAs	270,686
Less accumulated amortization	(133,929)
Total finance lease assets, net of amortization	193,394
Other Assets:	
Net other post employment benefit (OPEB) asset - proportionate share	185,924
<b>Total assets</b>	114,731,118
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows from pension activity	952,320
Deferred outflows from other post employment benefit (OPEB) activity	303,032
<b>Total deferred outflows of resources</b>	1,255,352
 <b>Total assets and deferred outflows of resources</b>	
	\$ 115,986,470
 <b>LIABILITIES</b>	
Salaries payable and related payroll liabilities	\$ 3,596,849
PEIA premiums payable	995,222
Compensated absences	217,072
Accounts payable	1,242,276
Current portion of long-term debt:	
Bonds and contracts	136,731
Accrued interest	12,916
Finance lease liability	12,462
SBITA liability	90,197
Total current liabilities	6,303,725
Debt due beyond one year:	
Finance lease liability	8,846
SBITA liability	93,172
Net pension liability - proportionate share	1,888,417
<b>Total liabilities</b>	8,294,160
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows from pension activity	36,216
Deferred inflows from other post employment benefit (OPEB) activity	387,011
<b>Total deferred inflows of resources</b>	423,227
 <b>Total liabilities and deferred inflows of resources</b>	
	\$ 8,717,387
 <b>NET POSITION</b>	
Invested in capital assets, net of related debt	\$ 85,511,895
Restricted for:	
Special projects	1,566,579
Capital projects	2,911,569
Unrestricted	17,279,040
<b>Total net position</b>	\$ 107,269,083

See Notes to the Basic Financial Statements.

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions	Program Revenues			Net (Expense), Revenue & Changes in Net Position Governmental Activities
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction	\$ 27,021,218	\$ 148,920	\$ 9,801,859	\$ 59,879
Supporting services:				
Students	3,055,657	16,840	1,108,430	6,771
Instructional staff	1,472,232	8,114	534,048	3,262
General administration	648,227	3,573	235,142	1,436
School administration	2,567,728	14,151	931,435	5,690
Central services	904,142	4,983	327,975	2,004
Operation and maintenance of facilities	8,259,280	45,519	2,996,027	18,302
Student transportation	4,958,395	27,327	1,798,642	10,988
Other support services	25,086	138	9,100	56
Food services	3,782,031	-	3,554,140	-
Community services	143,185	-	-	-
Interest on long-term debt	15,000	-	-	-
Total governmental activities	\$ 52,852,181	\$ 269,565	\$ 21,296,798	\$ 108,388

General revenues:

Property taxes	12,470,095
Unrestricted state aid	27,176,675
Unrestricted investment earnings	170,028
Gain (loss) on disposal of capital assets	(15,189)
Gain (loss) on termination of ROU assets	(12,522)
Total general revenues and transfers	39,789,087
Change in net position	8,611,657
Net position - beginning	98,928,112
Prior period adjustments - See Note 17	(270,686)
Net position - beginning, as restated	98,657,426
Net position - ending	\$ 107,269,083

See Notes to the Basic Financial Statements.

MINGO COUNTY BOARD OF EDUCATION  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2024

	General Current Expense Fund	Special Revenue Fund	Special Revenue Fund - School Activity	Special Revenue Fund - FSSF	Permanent Improvement Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>							
<b>Assets:</b>							
Cash and cash equivalents	\$ 19,229,101	\$ 110,490	\$ 932,866	\$ (1,214,026)	\$ 879,891	\$ 2,017,562	\$ 21,955,884
Taxes receivable, net of allowance for uncollectible taxes	2,424,007	-	-	-	89,008	-	2,513,015
Deposit with retirement board	69,248	-	-	-	-	-	69,248
Other receivables	206,499	-	-	-	-	-	206,499
Prepaid workers' compensation	60,866	-	-	-	-	-	60,866
Other prepaid expenses	226,377	-	-	-	-	-	226,377
Due from other governments:							
State aid receivable	236,506	-	-	-	-	-	236,506
PEIA allocation receivable	639,602	-	-	-	-	-	639,602
Reimbursements receivable	-	1,552,099	-	1,243,078	-	-	2,795,177
<b>Total assets</b>	<b>23,092,206</b>	<b>1,662,589</b>	<b>932,866</b>	<b>29,052</b>	<b>968,899</b>	<b>2,017,562</b>	<b>28,703,174</b>
<b>Deferred outflows of resources</b>	-	-	-	-	-	-	-
<b>Total deferred outflows of resources</b>	-	-	-	-	-	-	-
<b>TOTAL ASSETS PLUS DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 23,092,206</b>	<b>\$ 1,662,589</b>	<b>\$ 932,866</b>	<b>\$ 29,052</b>	<b>\$ 968,899</b>	<b>\$ 2,017,562</b>	<b>\$ 28,703,174</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Salaries payable and related payroll liabilities	\$ 3,596,849	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,596,849
Other post employment benefits payable	-	-	-	-	-	-	-
PEIA premiums payable	995,222	-	-	-	-	-	995,222
Accounts payable	1,115,117	96,010	-	29,052	2,097	-	1,242,276
<b>Total liabilities</b>	<b>5,707,188</b>	<b>96,010</b>	<b>-</b>	<b>29,052</b>	<b>2,097</b>	<b>-</b>	<b>5,834,347</b>
<b>Deferred inflows of resources</b>	1,982,437	-	-	-	72,794	-	2,055,231
<b>Total deferred inflows of resources</b>	<b>1,982,437</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72,794</b>	<b>-</b>	<b>2,055,231</b>
<b>Fund Balances:</b>							
Nonspendable	356,490	-	-	-	-	-	356,490
Restricted	-	1,566,579	-	-	894,008	2,017,562	4,478,149
Committed	146,284	-	-	-	-	-	146,284
Assigned	9,373,807	-	932,866	-	-	-	10,306,673
Unassigned	5,526,000	-	-	-	-	-	5,526,000
<b>Total fund balances</b>	<b>15,402,581</b>	<b>1,566,579</b>	<b>932,866</b>	<b>-</b>	<b>894,008</b>	<b>2,017,562</b>	<b>20,813,596</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 23,092,206</b>	<b>\$ 1,662,589</b>	<b>\$ 932,866</b>	<b>\$ 29,052</b>	<b>\$ 968,899</b>	<b>\$ 2,017,562</b>	<b>\$ 28,703,174</b>

See Notes to the Basic Financial Statements.

MINGO COUNTY BOARD OF EDUCATION  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2024

Total fund balance on the governmental fund's balance sheet	\$ 20,813,596
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund balance sheet	85,648,626
Other long-term assets that are not available to pay for current-year expenditures and are therefore not reported in the funds.	185,924
Right-of-use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	193,394
Property taxes receivable and food service billings will be collected this year but are not available soon enough to pay for the current period's expenditures, and are therefore in deferred funds	2,055,231
Deferred outflows and inflows of resources related to pension are applicable to future periods and, therefore, are not reported in the funds	
Deferred outflows of resources related to pension	952,320
Deferred outflows of resources related to OPEB	303,032
Deferred inflows of resources related to pension	(36,216)
Deferred inflows of resources related to OPEB	(387,011)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable, due within one year	(136,731)
Compensated absences	(217,072)
Accrued interest on long-term debt	(12,916)
Finance lease liability, due within one year	(12,462)
Finance lease liability, due beyond one year	(8,846)
SBITA liability, due within one year	(90,197)
SBITA liability, due beyond one year	(93,172)
Net pension liability - proportionate share	(1,888,417)
Net position of governmental activities	<u><u>\$ 107,269,083</u></u>

See Notes to the Basic Financial Statements.

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Current Expense Fund	Special Revenue Fund	Special Revenue Fund - School Activity	Special Revenue Fund - FSSF	Permanent Improvement Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenues:</b>							
Property taxes	\$ 11,522,058	\$ -	\$ -	\$ -	\$ 426,566	\$ -	\$ 11,948,624
State sources	31,756,209	1,213,331	-	-	35,000	376,365	33,380,905
Federal sources	257,569	8,352,515	-	9,950,759	-	-	18,560,843
Miscellaneous sources	392,777	49,737	1,221,786	-	1,680	-	1,665,980
<b>Total revenues</b>	<b>43,928,613</b>	<b>9,615,583</b>	<b>1,221,786</b>	<b>9,950,759</b>	<b>463,246</b>	<b>376,365</b>	<b>65,556,352</b>
<b>Expenditures:</b>							
Instruction	21,434,632	4,082,714	1,193,295	2,280,203	-	-	28,990,844
Supporting services:							
Students	2,576,748	622,070	-	126,143	-	-	3,324,961
Instructional staff	591,057	876,858	-	28,522	-	-	1,496,437
General administration	573,297	-	-	-	-	-	573,297
School administration	2,858,556	30,246	-	13,258	-	-	2,902,060
Central services	955,183	11,981	-	-	-	-	967,164
Operation and maintenance of facilities	6,756,964	59,729	-	12,612	64,662	-	6,893,967
Student transportation	5,573,776	5,074	-	304,062	-	-	5,882,912
Other support services	25,000	85	-	-	-	-	25,085
Food services	-	3,783,225	-	16,163	-	-	3,799,388
Community services	140,000	3,185	-	-	-	-	143,185
Capital outlay	83,217	146,823	-	7,169,796	974,264	1,065,638	9,439,738
Debt service:							
Principal retirement	-	-	-	-	133,333	-	133,333
Interest and fiscal charges	-	-	-	-	15,000	-	15,000
Finance leases:							
Principal payment expense	15,677	-	-	-	-	-	15,677
SBITAs:							
Principal payment expense	87,317	-	-	-	-	-	87,317
<b>Total expenditures</b>	<b>41,671,424</b>	<b>9,621,990</b>	<b>1,193,295</b>	<b>9,950,759</b>	<b>1,187,259</b>	<b>1,065,638</b>	<b>64,690,365</b>
Excess (deficiency) of revenues over expenditures	2,257,189	(6,407)	28,491	-	(724,013)	(689,273)	865,987
<b>Other financing sources (uses):</b>							
Transfers in	126,196	254,011	111,051	-	225,791	643,622	1,360,671
Transfers (out)	(952,076)	(232,836)	(32,227)	-	(143,532)	-	(1,360,671)
<b>Total other financing sources (uses)</b>	<b>(825,880)</b>	<b>21,175</b>	<b>78,824</b>	<b>-</b>	<b>82,259</b>	<b>643,622</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>1,431,309</b>	<b>14,768</b>	<b>107,315</b>	<b>-</b>	<b>(641,754)</b>	<b>(45,651)</b>	<b>865,987</b>
<b>Fund balances - beginning</b>	<b>13,971,272</b>	<b>1,551,811</b>	<b>825,551</b>	<b>-</b>	<b>1,535,762</b>	<b>2,063,213</b>	<b>19,947,609</b>
<b>Fund balances - ending</b>	<b>\$ 15,402,581</b>	<b>\$ 1,566,579</b>	<b>\$ 932,866</b>	<b>\$ -</b>	<b>\$ 894,008</b>	<b>\$ 2,017,562</b>	<b>\$ 20,813,596</b>

See Notes to the Basic Financial Statements.

MINGO COUNTY BOARD OF EDUCATION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Amounts reported for governmental activities in the statement of activities are different due to:

Net change in fund balances - total governmental funds	\$	865,987
<p>Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The effect on net position is the amount by which capital outlays exceed depreciation in the current period.</p>		
Depreciation expense		(2,839,002)
Capital outlays		10,679,701
<p>Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of lease assets is allocated over their estimated useful lives and reported as amortization expense. The effect on net position is the amount by which capital outlays exceed amortization in the current period.</p>		
Amortization expense		(3,223)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of SBITA assets is allocated over their estimated useful lives and reported as amortization expense. The effect on net position is the amount by which capital outlays exceed amortization in the current period.</p>		
Amortization expense		(90,229)
<p>Certain receivables will be collected this year but are not available soon enough to pay for the current period's expenditures. This is the amount by which such receivables increased (decreased).</p>		
Property taxes receivable		514,731
<p>The repayment of the principal of long-term debt (e.g., bonds, leases) consumes the current financial resources of governmental funds. However, such repayment has no effect on net position.</p>		
		133,333
<p>Differences in the cost and accumulated depreciation on disposed capital assets are reported as a loss and reduction in net assets in the statement of activities.</p>		
Cost of assets disposed		(1,821,936)
Accumulated depreciation of assets disposed		355,133
<p>Differences in the ROU asset and accumulated amortization on ROU asset terminated agreements are reported as a loss and reduction in net position in the statement of activities.</p>		
Right-of-Use assets terminated		(12,522)
<p>Compensated absences are reported as liabilities in the statement of net position, but are only reported in government funds to the extent they have matured. This is the amount by which compensated absences (increased)/decreased.</p>		
		(27,286)
<p>Finance Lease payables are reported as liabilities in the statement of net position, but are only reported in government funds to the extent they have matured. This is the amount by which finance lease payables decreased.</p>		
		15,677
<p>SBITA payables are reported as liabilities in the statement of net position, but are only reported in government funds to the extent they have matured. This is the amount by which SBITA payables decreased.</p>		
		87,317
<p>Governmental funds report district pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.</p>		
District pension contributions		324,843
Cost of benefits earned net of employee contributions		(255,896)
<p>Governmental funds report district OPEB contributions as expenditures. However, in the statement of activities, the cost of OPEB benefits earned net of employee contributions is reported as pension expense.</p>		
District OPEB contributions		46,185
Cost of benefits earned net of employee contributions		638,844
Change in net position of governmental activities	\$	<u><u>8,611,657</u></u>

See Notes to the Basic Financial Statements.

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1 - Summary of Significant Accounting Policies:**

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. Reporting Entity:**

The Mingo County Board of Education (School Board) is a corporation created under the authority of West Virginia Code §18-5-1 et seq. and is composed of five members nominated and elected by the voters of the county for four-year terms. The Board is responsible for the supervision and control of the county school district and has the authority, subject to State statutes and the rules and regulations of the State Board, to control and manage all of the public schools and school interests in the county.

GASB Statement 14 establishes the criteria for determining the governmental reporting entity and the component units that should be included within the reporting entity. Under provisions of this statement, the School Board is considered to be a primary government, since it is a separate legal entity, has its own elected governing body, and is fiscally independent of other local governments. The School Board has no component units, defined by GASB Statement 14 as other legally separate organizations for which the elected board members are financially accountable.

**B. District-wide and Fund Financial Statements:**

The *district-wide financial statements* (the statement of net position and the statement of activities) display information about the School Board as a whole. These statements include the financial activities of the overall government, except for fiduciary fund activities. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund financial statement level.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the school district's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function.

Depreciation expenses and amortization expenses for capital assets and right-of-use assets, respectively, that can be specifically identified with a function are included in its direct expenses. Depreciation and amortization expense for "shared" capital assets (such as a school building that may be used for instructional services, student and instructional staff support services, school administration, and child nutrition services) and right-of-use assets are distributed proportionally among the various functions. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Interest on general long-term debt liabilities is considered an indirect expense and is reported in the Statement of Activities as a separate line.

Program revenues include: grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, restricted state aid, tuition, and other fees and charges paid by students. Revenues that are not considered as program revenues are classified as general revenue and include property taxes, unrestricted state aid, unrestricted investment earnings, gain on sale of capital assets, and federal and state grants not restricted to a specific purpose.

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1 - Summary of Significant Accounting Policies (Cont.):**

The *fund financial statements* provide information about the individual funds maintained by the School Board. All funds maintained by the school district are considered to be major funds for reporting purposes and are discretely presented in the accompanying financial statements.

The funds maintained by the Board are:

General Current Expense Fund: The General Current Expense Fund is the operating fund of the Board and accounts for all revenues and expenditures not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Current Expense Fund.

Special Revenue Fund: The Special Revenue Fund is an operating fund of the Board and accounts for all revenues and expenditures attributable to state and federal grants and other revenue sources that are legally restricted to expenditure for specific purposes.

Special Revenue Student Activity Fund: This is a fund used to account for the financial resources received and held by each school to support co-curricular and extra-curricular student activities.

Special Revenue Federal Stimulus and Stabilization Fund: This is a fund used to account for the financial resources of the Board received through the federal government; most notably in regard to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the American Rescue Plan (ARP) Act.

Permanent Improvement Fund: The Permanent Improvement Fund is used to account for various building and permanent improvement projects.

Capital Projects Funds: Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by the Board. These funds can include: a bond construction fund, used to account for the proceeds from the issuance of general obligation bonds; a permanent improvement fund established under the authority of West Virginia Code §18-9B-14 to account for the proceeds of resources used for the support of various building and permanent improvement projects, and; one or more capital projects funds used to account for the resources used in the construction of a specific capital facility.

**C. Measurement Focus and Basis of Accounting:**

The *district-wide statements* (Statement of Net Position and the Statement of Activities) were prepared using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows are received. Revenues and expenses resulting from exchange and exchange-like transactions are recognized when the exchange takes place; revenues and expenses resulting from non-exchange transactions, such as property taxes, federal and state grants, state aid to schools, and donations, are recognized in accordance with the requirements of GASB Statement 33. Property taxes are recognized in the fiscal year for which the taxes are levied; state aid to schools is recognized in the year for which the



MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1 - Summary of Significant Accounting Policies (Cont.):**

legislative appropriation is made; and grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The *governmental fund financial statements* were prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Board considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded generally when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing resources.

*Custodial funds* report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. Custodial funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for other in a custodial capacity.

**D. Encumbrances:**

Encumbrance accounting is employed in governmental funds. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end are reported in the appropriate fund balance category (restricted, committed or assigned) since they do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

**E. Cash and Investments:**

Cash on hand and deposits with banking institutions either in checking or savings accounts or other highly liquid investments with an original maturity of three months or less are presented as cash and cash equivalents in the accompanying financial statements.

Boards of education are authorized by statute to provide excess funds to either the State Consolidated Investment Pool or the West Virginia Municipal Bond Commission (MBC) for investment purposes, or to invest such funds in the following classes of securities: obligations of the United States or any agency thereof; certificates of deposit; and repurchase agreements. Funds of the School Board are temporarily invested by the West Virginia Municipal Bond Commission specifically on behalf of the School Board as part of the Commission’s consolidated investment pool. Deposits with the State Consolidated Investment Pool are held by the West Virginia Board of Treasury Investments (BTI). The deposits with the MBC are held for debt service requirements of the School Board. The deposits with the BTI and MBC are not separately identifiable as to specific types of securities. Investment income is prorated to the School Board at rates specified by the BTI and MBC. The amounts on deposit are available for immediate withdrawal and, accordingly, are presented as cash and cash equivalents in the accompanying basic financial statements. These investments are considered cash and cash equivalents due to their liquid

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1 - Summary of Significant Accounting Policies (Cont.):**

nature. The BTI is directed by the State Treasurer to invest the funds in specific external investment pools in accordance with West Virginia code, policies set by the BTI, and by provisions of bond indentures and trust agreements, when applicable. Balances in the investment pools are recorded at fair value or amortized cost which approximates fair value. Fair value is determined by a third-party pricing service based on asset portfolio pricing models and other sources, in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. The BTI was established by the State Legislature and is subject to oversight by the State Legislature.

All deposit accounts and investments of the School Board at June 30, 2024 consisted of the following:

	Carrying Amount	Estimated Fair Value	Bank Balance
State Investment Pool	\$ 5,132,721	\$ 5,132,721	\$ 5,132,721
Deposits with financial institutions - Individual Schools	932,866	932,866	932,866
Deposits with financial institutions - Board of Education	15,890,297	15,890,297	16,391,404
Total cash and cash equivalents	\$ 21,955,884	\$ 21,955,884	\$ 22,456,991

The School Board had no fixed-term investments at June 30, 2024.

Deposits with financial institutions were entirely covered by federal deposit insurance or secured by adequate bond or other securities held by the banking institution in the School Board’s name. Custodian credit risk is the risk that in the event of a bank failure, the School Board’s deposits may not be returned to it. The School Board has limited its custodial credit risk by assuring that these deposits with financial institutions are adequately collateralized.

Cash on deposit with the MBC is held by the BTI in the West Virginia Government Money Market Pool and is subject to the following BTI policies and limits.

The BTI has adopted an investment policy in accordance with the “Uniform Prudent Investor Act.” The “prudent investor rule” guides those with responsibility for investing money for others. Such fiduciaries must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income; preserve capital; and, in general, avoid speculative investments. The BTI’s investment policy is to invest assets in a manner that strives for maximum safety, provides adequate liquidity to meet all operating requirements, and achieves the highest possible investment return consistent with the primary objectives of safety and liquidity. The BTI recognizes that risk, volatility, and the possibility of loss in purchasing power are present to some degree in all types of investments. Due to the short-term nature of BTI’s Consolidated Fund, the BTI believes that it is imperative to review and adjust the investment policy in reaction to interest rate market fluctuations/trends on a regular basis and has adopted a formal review schedule. Investment policies have been established for each investment pool and account of the BTI’s Consolidated Fund. Of the BTI’s Consolidated Fund pools and accounts in which the School Board

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**Note 1 - Summary of Significant Accounting Policies (Cont.):**

invests, all are subject to credit risk. The following BTI investment risk information has been extracted from the notes to BTI’s financial statements.

**WV Government Money Market Pool - Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. For the year ended June 30, 2023, the WV Government Money Market Pool has been rated AAAM by Standard & Poor’s. A fund rated “AAAm” has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks. “AAAm” is the highest principal stability fund rating assigned by Standard & Poor’s.

The BTI limits the exposure to credit risk in the WV Government Money Market Pool by limiting the pool to U.S. Treasury issues, U.S. government agency issues, money market funds investing in U.S. Treasury issues and U.S. government agency issues, and repurchase agreements collateralized by U.S. Treasury issues and U.S. government agency issues.

At June 30, 2023, the WV Government Money Market Pool investments had a total carrying value of \$374,978,000 of which the School Board’s ownership represents 1%.

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. All the BTI’s Consolidated Fund pools and accounts are subject to interest rate risk.

The overall weighted average maturity of the investments of the WV Government Money Market Pool cannot exceed 60 days. Maximum maturity of individual securities cannot exceed 397 days from date of purchase, except for government floating rate notes, which can be up to 762 days.

The following table provides information on the weighted average maturities for the various asset types in the WV Government Money Market Pool:

<b>Security Type</b>	<b>2023 Carrying Value (In thousands)</b>	<b>WAM (Days)</b>
U.S. Treasury notes	\$ 11,997	3
U.S. Treasury bills	3,949	90
U.S. agency bonds and notes	49,500	3
U.S. agency discount notes	146,775	36
Repurchase agreements	162,500	3
Money market funds	257	3
	\$ 374,978	17

MINGO COUNTY BOARD OF EDUCATION  
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**Note 1 - Summary of Significant Accounting Policies (Cont.):**

***Other Investment Risks*** - Other investment risks can include concentration of credit risk, custodial credit risk, and foreign currency risk.

Concentration of credit risk is the risk of loss attributed to the magnitude of a Consolidated Fund pool or account's investment in a single corporate issuer. The BTI investment policy prohibits those pools and accounts permitted to hold corporate securities from investing more than 5% of their assets in any one corporate name or one corporate issue.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the BTI will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Repurchase agreements are required to be collateralized by at least 102% of their value, and the collateral is held in the name of the BTI. The BTI or its agent does not release cash or securities until the counterparty delivers its side of the transaction.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. None of the Consolidated Fund's investment pools or accounts holds interests in foreign currency or interests valued in foreign currency.

***Deposits*** - Custodial credit risk of deposits is the risk that in the event of failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits include nonnegotiable certificates of deposit. WV Government Money Market Pool does not contain nonnegotiable certificates of deposit. The BTI does not have a deposit policy for custodial credit risk.

**F. Interfund Receivables and Payables:**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**G. Inventories:**

Inventories are valued at cost or, if donated, at fair value when received. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

The Board did not operate a centralized warehouse for inventories at June 30, 2024.

**H. Prepaid Items:**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. On June 30, 2024 the Board

MINGO COUNTY BOARD OF EDUCATION  
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**Note 1 - Summary of Significant Accounting Policies (Cont.):**

reported approximately \$356 thousand in prepaid items. \$61 thousand as prepaid workers compensation insurance, \$69 thousand as a deposit with the retirement board, board of risk insurance payment of \$156 thousand, and \$70 thousand in prepaid student special risk insurance and various prepaid software subscriptions.

**I. Receivables**

Receivables are reported net of any estimated uncollectible amounts.

**J. Capital Assets:**

Capital assets, which include land, buildings and improvements, furniture and equipment, and vehicles are reported in the district-wide financial statements. The board defines capital assets as assets with an initial, individual cost of \$5,000, or more for land, furniture, vehicles, and equipment and \$100,000, for buildings and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extended assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is not capitalized.

Buildings and improvements, furniture and equipment, and vehicles of the Board are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Site improvements	20-35
Furniture and equipment	5-20
Vehicles	8-12

**K. Right-of-Use Assets:**

Right-of-use assets, which include land, buildings, equipment, vehicles, and subscription-based information technology arrangements (SBITAs) are reported in the district-wide financial statements.

The School Board defines lease right-of-use assets (land, buildings, equipment, and vehicles) as the right to occupy, operate, or hold a leased asset during the rental period. This rental period must be for greater than 12 months including any option to renew if it is reasonably certain, based on all relevant factors, that the School Board will exercise that option. These assets do not include any lease contracts that transfer ownership at the end of the lease.

Lease Right-of-use assets are recorded at the present value of the payments expected to be made during the lease term, including any lease payments made to the lessor at or before the commencement of the

MINGO COUNTY BOARD OF EDUCATION  
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**Note 1 - Summary of Significant Accounting Policies (Cont.):**

lease term, less any lease incentives. Initial direct costs that are necessary to place the lease asset into service are also included.

Lease Right-of-use assets (Land, buildings, equipment, and vehicles) of the School Board are amortized using the straight-line method over the shorter period of the lease term or the useful life of the asset.

The School Board defines SBITA right-of-use assets as a contract that grants the right to use IT software for a period of time in an exchange or exchange-like transaction. This subscription period must be for greater than 12 months including any option to renew if it is reasonably certain, based on all relevant factors, that the School Board will exercise that option.

SBITA Right-of-use assets are recorded at the present value of the payments expected to be made during the subscription term, including any payments made to the vendor at or before the commencement of the subscription term (less any incentives), and capitalizable initial implementation costs.

SBITA Right-of-use assets of the School Board are amortized using the straight-line method over the shorter period of the subscription term or the useful life of the underlying IT asset.

**L. Deferred Outflow of Resources:**

A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period. Deferred Outflows of resources for June 30, 2024 are approximately \$1.3 million on the district-wide statements and relates to pension and OPEB activity.

**M. Pension:**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teacher Retirement System (TRS) and additions to/deductions from the TRS fiduciary net position have been determined on the same basis as they are reported by TRS. 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. See Note 10 for further discussion.

**N. Compensated Absences and Other Post Employment Benefit Liability:**

**Compensated Absences:**

It is the Board's policy to permit employees to accumulate earned but unused vacation pay benefits. Vacation benefits can be accumulated up to 40 days and carried forward to the subsequent fiscal year. All vacation pay is accrued when incurred and the liability for these amounts is reported in the general long-term debt account group. Upon termination employees may be compensated for vacation benefits accumulated. In lieu of a cash payment at retirement, employees hired prior to July 1, 2015 can elect to use accumulated annual leave toward their postemployment health care insurance premium. Employees also earn sick leave benefits which accumulate but do not vest.

MINGO COUNTY BOARD OF EDUCATION  
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**Note 1 - Summary of Significant Accounting Policies (Cont.):**

**Other Post Employment Benefit (OPEB) Liability:**

It is the Board's policy to permit employees to accumulate earned but unused sick pay benefits. Sick benefits can be accumulated for unlimited days and carried forward to the subsequent fiscal year. When separated from employment, employees' sick leave benefits are considered ended and no reimbursement is provided. However, upon retirement, an employee's accumulated annual sick leave may be converted to a greater retirement benefit or payment of the retired employee's health insurance premiums. The cost of the increased retirement option is the liability of the West Virginia Consolidated Public Retirement Board. The payment of health insurance premiums must be absorbed by the last agency employing the retiree and is included as part of the OPEB liability.

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 have been determined on the same basis as they are reported by West Virginia Retiree Health Benefit Trust Fund (RHBT). For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. See Note 11 for further discussion.

**O. Long-term Obligations:**

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Capital lease payments are reported in the general current expense or special revenue fund.

**P. Deferred Inflow of Resources:**

A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period. Deferred Inflow of Resources as of June 30, 2024 are approximately \$423 thousand on the district-wide statements and relates to pension and OPEB activity. The fund-level Deferred Inflow of Resources represent Property Taxes Receivables in the amount of \$2 million.

MINGO COUNTY BOARD OF EDUCATION  
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**Note 1 - Summary of Significant Accounting Policies (Cont.):**

**Q. Net Position:**

Net position is classified into four categories according to external donor restrictions or availability of assets for satisfaction of Board obligations. The Board's net position is classified as follows:

- **Invested in capital assets, net of related debt** - This represents the Board's total investment in capital assets, net of accumulated depreciation and reduced by the balances of any outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested capital assets, net of related debt.
- **Restricted net position, expendable** - This includes resources in which the Board is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties including grantors, donors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This represents resources derived from other than capital assets or restricted net position. These resources are used for transactions relating to the general operation of the Board, and may be used at the discretion of the Board to meet current expenses for any lawful purpose.

**R. Fund Equity:**

The Board follows GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions," which establishes new standards of accounting and financial reporting that are intended to improve the clarity and consistency of the fund balance information provided to financial report users. The classifications are based primarily on the extent to which the Board is bound to honor constraints on the specific purposes for which the amounts in those funds can be spent. Fund balances are reported in the following categories:

- Nonspendable fund balances include amounts that cannot be spent because they are in a nonspendable form, such as inventory, or prepaid expense amounts, or they are legally or contractually required to be maintained intact, such as the corpus of a permanent fund.
- Restricted fund balances are restricted due to legal restrictions from creditors, grantors, or laws and regulations of other governments or by legally enforceable enabling legislation or constitutional provisions.
- Committed fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making authority, which for the county is the five-member School Board. Said specific purposes and amounts are recorded in the official Board minutes of the fiscal year ended June 30, 2024. Those committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent



MINGO COUNTY BOARD OF EDUCATION  
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**Note 1 - Summary of Significant Accounting Policies (Cont.):**

that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

- Assigned fund balances are constrained by the intent to use funds for specific purposes, but are neither restricted nor committed. Intent can be expressed by the five-member School Board or by a body or official to which the School Board has delegated the authority to assign amounts to be used for specific purposes. By reporting particular amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, the Board has assigned those amounts to the purposes of the respective funds.
- Unassigned fund balance is the residual classification for the general fund. This classification represents 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. In other funds, any negative fund balances would be unassigned.

**S. Elimination and Reclassifications:**

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

**T. Accounting Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**U. Restricted Resources:**

Restricted resources should be applied first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available. If an expense is incurred for purposes for which committed, assigned and unassigned fund balances are all available, the fund balances should be reduced in the following order: committed, assigned, and then unassigned.

**Note 2 – Stewardship, Compliance, and Accountability:**

The following funds had deficiencies in net changes in fund balances for the year ended June 30, 2024:

Fund	Amount
Permanent Improvement Fund	\$ 641,755
Capital Projects Fund	45,651

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**Note 2 – Stewardship, Compliance, and Accountability (Cont.):**

Funds sufficient to provide for the excess expenditures were made available from other sources within each fund and the deficiency had no impact on the financial results of the Funds.

**Note 3 - Risk Management:**

The Board is exposed to various risks or loss related to torts, theft, or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Board, pursuant to the provisions of State law, participates in the following risk management programs administered by the State.

**Board of Risk and Insurance Management (BRIM):** The Board participates in the West Virginia Board of Risk and Insurance Management, a common risk insurance pool for all State agencies, component units, boards of education and other local governmental agencies who wish to participate. The Board pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM is paid by the participants. The BRIM risk pool retains the risk of the first \$2 million per property event and purchases excess insurance on losses above that level. BRIM has \$1 million per occurrence coverage maximum on all third-party liability claims.

**Public Employees Insurance Agency (PEIA):** The Board provides employees health and basic life insurance benefits through the Public Employees Insurance Agency. PEIA was established by the State of West Virginia to provide a program of health and life insurance for employees of State agencies, institutions of higher learning, boards of education, and component units of the State. In addition, local governmental agencies and certain charitable and public service organizations may request to be covered. PEIA provides a general employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Fund underwriting and rate setting policies are established by the PEIA Finance Board. The cost of all coverage as determined by the Finance Board is paid by the participants.

Health coverage under these programs has no lifetime maximum benefit, while life insurance coverage is limited to \$10,000. Members may purchase up to an additional \$500,000 of life insurance coverage. Premiums are established by PEIA and are paid monthly. The PEIA risk pool retains the risk for the health and prescription features of its indemnity plan, has fully transferred the risks of coverage of the Managed Care Organization (MCO) Plan to the plan provider and has transferred risk of life insurance coverage to a third party insurer.

**Workers Compensation Fund (WCF):** The Encova insurance company provides workers' compensation coverage to Mingo County Board of Education. The cost of all coverage, as determined by Encova Insurance Company, is paid by the Board.

The Encova Insurance Company's risk pool retains the risk related to the compensation of injured employees under the program.

MINGO COUNTY BOARD OF EDUCATION  
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 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 4 - Property Taxes:**

All property in the State is classified as follows for ad valorem tax purposes:

Class I - All tangible personal property employed exclusively in agriculture, including horticulture and grazing; all products of agriculture, including livestock, while owned by the producer.

Class II - All property owned, used and occupied by the owner exclusively for residential purposes; all farms, including land used for horticulture and grazing, occupied and cultivated by their owners or bona fide tenants.

Class III - All real and personal property situated outside of municipalities, exclusive of Class I and II property.

Class IV - All real and personal property situated inside of municipalities, exclusive of Class I and II property.

According to West Virginia Code §11-8-6c, the maximum rates that county boards of education may impose on the various classes of property are: Class I - 22.95¢ per \$100 of assessed valuation; Class II - 45.90¢ per \$100 of assessed valuation; Class III - 91.80¢ per \$100 of assessed valuation; and Class IV - 91.80¢ per \$100 of assessed valuation.

Pursuant to West Virginia Code §11-8-6f, however, the rates of levy for county boards are to be reduced uniformly statewide and proportionately for all classes of property so that the total statewide property tax revenues to be realized from the regular levy tax collections for the forthcoming year will not increase by more than one percent of the current year's projected property tax revenues, exclusive of increases due to new construction, improvements to existing real property, or newly acquired personal property, unless the State Legislature holds a public hearing. The amounts to be paid to the Assessors Valuation Fund are also to be excluded from the calculation.

County boards of education are also authorized to impose an additional (excess) levy not to extend beyond five years if approved by at least a majority of the voters. The rates of levy cannot exceed the maximum rates specified above and must be proportional for all classes of property.

The assessed valuations and levy rates levied by the Board per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2024, were:

<u>Class of Property</u>	<u>Assessed Valuations for Tax Purposes</u>	<u>Current Expense</u>	<u>Excess Levy</u>	<u>Permanent Improvement</u>
Class I	\$ -	17.90¢	22.95¢	1.50¢
Class II	159,447,294	35.80¢	45.90¢	3.00¢
Class III	547,735,748	71.60¢	91.80¢	6.00¢
Class IV	107,166,867	71.60¢	91.80¢	6.00¢

The taxes on real property and the interest and other charges upon such taxes attach as an enforceable lien on the first day of July each year. There is no lien denominated as such on personal property. However, statutes provide that the sheriff of a county may distrain for delinquent taxes any goods and chattels

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 4 - Property Taxes (Cont.):**

belonging to a person assessed. All current taxes assessed on real and personal property may be paid in two installments. The first installment is payable on September first of the year for which the assessment is made, and becomes delinquent on October first, and the second installment is payable on the first day of the following March and becomes delinquent on April first.

Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If taxes are not paid on or before the date on which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until paid.

**Taxes Receivable**

Taxes receivable as of June 30, 2024, for the Board’s funds is as follows:

	General Current Expense Fund	Permanent Improvement Fund
Taxes Receivable	\$ 3,384,310	\$ 124,270
Less: Allowance for Uncollectable	(960,303)	(35,262)
Taxes Receivable, net	\$ 2,424,007	\$ 89,008

**Note 5 - Excess Levy:**

The Board had an excess levy in effect during the fiscal year ended June 30, 2024. The levy was authorized by the voters of the county at an election held on November 6, 2018 for the fiscal years ended June 30, 2020 through June 30, 2024 to provide funds for the various purposes. A total of \$5,789,323 was received by the Board from the excess levy during the fiscal year ended June 30, 2024.

**Note 6 – Tax Abatement:**

The Board has no current tax abatement as of June 30, 2024.

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**Note 7 - Capital Assets:**

Capital asset balances and activity for the year ended June 30, 2024, are as follows:

Governmental Activities	Balance June 30, 2023	Additions	Disposals	Balance June 30, 2024
Capital assets, non-depreciable:				
Land	\$ 7,038,858	\$ -	\$ -	\$ 7,038,858
Construction in process	1,483,267	5,962,105	(1,451,614)	5,993,758
Total non-depreciable capital assets	8,522,125	5,962,105	(1,451,614)	13,032,616
Capital assets, depreciable:				
Land improvements	3,940,260	56,801	-	3,997,061
Buildings and improvements	105,578,621	3,029,587	-	108,608,208
Furniture and equipment	5,708,880	1,139,640	(370,322)	6,478,198
Vehicles	6,781,338	491,568	-	7,272,906
Total depreciable capital assets	122,009,099	4,717,596	(370,322)	126,356,373
Less: accumulated depreciation:				
Land improvements	(831,894)	(81,548)	-	(913,442)
Buildings and improvements	(42,959,673)	(2,079,878)	-	(45,039,551)
Furniture and equipment	(2,923,631)	(335,090)	355,133	(2,903,588)
Vehicles	(4,541,296)	(342,486)	-	(4,883,782)
Total accumulated depreciation	(51,256,494)	(2,839,002)	355,133	(53,740,363)
Total depreciable capital assets, net	70,752,605	1,878,594	(15,189)	72,616,010
Capital Assets - Net	<u>\$ 79,274,730</u>	<u>\$ 7,840,699</u>	<u>\$ (1,466,803)</u>	<u>\$ 85,648,626</u>

Depreciation expense was allocated to governmental functions as follows:

Instruction	\$ 2,297,271
Supporting services:	
Students	3,522
Central administration	108,866
Business	4,301
Operation and maintenance of facilities	56,326
Transportation	332,780
Food services	35,936
	<u>\$ 2,839,002</u>

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**Note 8 - Long-Term Debt:**

Long-term liability activity for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Additions	Retirement	Balance June 30, 2024	Amounts due within one year	Amounts due past one year
General obligation debt - QZAB	\$ 270,064	\$ -	\$ 133,333	\$ 136,731	\$ 136,731	\$ -
Compensated absences	189,786	27,286	-	217,072	217,072	-
Total long-term liabilities	<u>\$ 459,850</u>	<u>\$ 27,286</u>	<u>\$ 133,333</u>	<u>\$ 353,803</u>	<u>\$ 353,803</u>	<u>\$ -</u>

**Note 9 – Leases that Transfer Ownership, Short-Term Leases, and Right-of-Use Assets:**

The Board has entered into various lease/purchase agreements with the private sector, primarily for equipment. These agreements, accounted for as capital leases, are for various terms. While these agreements contain clauses indicating that their continuation is subject to continuing appropriation by the Legislature, these leases are accounted for as capital leases and are considered noncancelable for financial reporting purposes.

Short-term leases with the lease payments recorded as expenditures during the life of the lease. Short-term leases are defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months or less, including any option to extend, regardless of their probability of being exercised. Short-term lease expenditures for the year ended June 30, 2024, were \$62,241.

Finance leases, all leases that do not meet the requirements of a short-term lease or a contract that transfer ownership, require the School Board to recognize a right-of-use asset and the related lease liability. Right-of-use assets, which include land, buildings, equipment, and vehicles are reported in the district-wide financial statements and are recorded at the present value of the payments expected to be made during the lease term, including any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives. Initial direct costs that are necessary to place the lease asset into service are also included. These assets are amortized using the straight-line method over the shorter period of the lease term or the useful life of the asset.

Subscription-Based Information Technology Agreements (SBITAs), contracts that convey control of the right-to use another party’s IT software for a term longer than 12 months, require the School Board to recognize a right-of-use asset and the related SBITA liability. SBITAs are reported in the district-wide financial statements and are recorded at the present value of the payments expected to be made during the agreement term, including any payments made to the vendor at the commencement of the subscription term, capitalizable initial implementation costs, less any vendor incentives received at the commencement of the subscription term. These assets are amortized using the straight-line method over the shorter period of the subscription term or the useful life of the asset.

The School Board has entered into a lease contract that transfers ownership agreement pursuant to the provisions of federal legislation which authorizes the issuance of qualified zone academy bonds (QZABs). The funding was used for furniture and equipment at Mingo Central High School and those assets are leased from United Bank for a period of 15 years beginning December 31, 2009. At the end of the contract period, the School Board will have ownership of the equipment. By contract, the School

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**Note 9 – Leases that Transfer Ownership, Short-Term Leases, and Right-of-Use Assets (Cont.):**

Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available.

The following is a summary of the future minimum required payments by year under the lease purchase agreement together with the present value of the net minimum payments as of June 30, 2024, for the School Board’s leases that transfer ownership:

Fiscal Year	Mingo Central High United Bank QZAB	Total Payment of Principal for Capital Leases
2025	\$ 136,731	\$ 136,731
Total	\$ 136,731	\$ 136,731

Right-of-Use asset balances and activity for the year ended June 30, 2024, is as follows:

Governmental Activities	Balance June 30, 2023	Additions	Disposals	Balance June 30, 2024
Lease Assets:				
Furniture and equipment	\$ 69,159	\$ -	\$ (12,522)	\$ 56,637
SBITAs	270,686	-	-	270,686
Total lease assets	339,845	-	(12,522)	327,323
Less: accumulated amortization:				
Furniture and equipment	(32,958)	(3,223)	-	(36,181)
SBITAs	(7,519)	(90,229)	-	(97,748)
Total accumulated amortization	(40,477)	(93,452)	-	(133,929)
Total lease assets, net	\$ 299,368	\$ (93,452)	\$ (12,522)	\$ 193,394

Amortization expense was allocated to governmental functions as follows:

Instruction	\$ 93,452
	<u>\$ 93,452</u>

Finance lease and SBITA liability activity for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Restatement	Additions	Retirement	Balance June 30, 2024	Amounts due within one year	Amounts due past one year
Finance lease liability	\$ 36,985	\$ -	\$ -	\$ 15,677	\$ 21,308	\$ 12,462	\$ 8,846
SBITA liability	-	270,686	-	87,317	183,369	90,197	93,172
Total long-term liabilities	\$ 36,985	\$ 270,686	\$ -	\$ 102,994	\$ 204,677	\$ 102,659	\$ 102,018

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**Note 9 – Leases that Transfer Ownership, Short-Term Leases, and Right-of-Use Assets (Cont.):**

The Board’s future lease payment requirements for finance leases and SBITAs is as follows:

Year ending June 30	Finance Leases		
	Principal	Interest	Total
2025	\$ 12,462	\$ 395	\$ 12,857
2026	6,000	169	6,169
2027	2,493	51	2,544
2028	353	2	355
Total	\$ 21,308	\$ 617	\$ 21,925

Year ending June 30	SBITAs		
	Principal	Interest	Total
2025	\$ 90,197	\$ 6,049	\$ 96,246
2026	93,172	3,074	96,246
Total	\$ 183,369	\$ 9,123	\$ 192,492

**Note 10 - Employee Retirement System:**

All full-time board of education employees are required to participate in one of two statewide, cost-sharing, multiple-employer retirement benefit plans, the Teachers’ Retirement System (TRS) or the Teachers’ Defined Contribution Retirement System (TDCRC). For the year ended June 30, 2024, the Board’s total payroll for all employees was \$29,627,865 and the payroll was \$25,311,677 for employees covered by the two retirement programs.

Of the total amount appropriated by the State for retirement, the portion equal to the employers’ average required contribution rate for both the defined benefit and the defined contribution plans is considered to be the employers’ contribution for the current cash flow requirements for personnel funded under the Public School Support Program and is reflected as state revenue (Contributions For/On Behalf of the LEA) in the School Board’s financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting. The balance is considered to be the State’s contribution toward the past service unfunded liability and is included as a for/on behalf revenue and expenditure in the School Board’s financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting. The State’s contribution to TRS on-behalf of the School Board meets the GASB Statement No. 68 definition of a special funding source. Therefore, the School Board has recorded pension expense and revenue for the portion of the State’s total proportionate share of collective pension expense that is associated with the School Board in the financial statements prepared on the economic resources focus and accrual basis of accounting.

Conversion of leave for post-retirement: For employees hired for the first time and first becoming a member of the Teachers’ Retirement System (TRS) before July 1, 2015, upon retirement, an employee’s vacation and sick leave may be converted to a greater retirement benefit or payment of health insurance premiums. The cost of the increased retirement benefit or payment of health insurance premiums must be absorbed by the last agency employing the retiree. For employees hired for the first time and first



MINGO COUNTY BOARD OF EDUCATION  
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**Note 10 - Employee Retirement System (Cont.):**

becoming a member of the Teachers' Retirement System (TRS) on or after July 1, 2015, there is no provision to convert an employee's unused vacation and sick leave to a greater retirement benefit or payment of health insurance premiums.

**A. Teachers' Retirement System (TRS):**

**Plan Description:**

The Teachers' Retirement System is a cost-sharing, multiple-employer public employee defined benefit retirement system which was established on July 1, 1941, and was closed for new members on July 1, 1991. Beginning July 1, 2005, all new employees become members of this plan. The West Virginia Legislature passed Senate Bill 529 in 2015 essentially adding a second tier of retirement benefits for those eligible to be a member of TRS who are hired for the first time and first become a member of TRS on or after July 1, 2015. Chapter 18, Article 7A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan to the State Legislature.

*Benefits provided:* Prior to the passage of Senate Bill 529, to qualify for full benefits, a member must be age 60 with at least five years of credited service, or be age 55 with at least 30 years of credited service or any age with at least 35 years of credited service. A member may receive a disability benefit after completing ten years of service, if the member is disabled for six months, unable to perform his or her regular occupation, and the Retirement Board expects the disability to be permanent. With the passage of Senate Bill 529, to qualify for full benefits, employees hired for the first time and first becoming a member of TRS on or after July 1, 2015, must meet the following conditions:

- age 62 for an employee who goes directly into retirement with no break in service,
- age 64 for employees with a break in service between employment and retirement and less than 20 years of TRS service,
- age 63 for those with a break in service between employment and retirement and 20 or more years of TRS service,

With the passage of Senate Bill 529, to qualify for reduced annuity benefits employees hired for the first time and first becoming a member of TRS on or after July 1, 2015, must meet the following conditions:

- between the ages of 60 and 62 and having a minimum of 10 years of contributing service,
- between the ages of 57 and 62 and having 20 or more years of contributing service.
- between the ages of 55 and 62 and having 30 or more years of contributing service.

Upon retirement members select one of five benefit payment options. If a member terminates employment with at least five years of credited service, he may freeze his membership until he qualifies for retirement or he may withdraw his contributions from the plan. The employers' contributions remain with the plan. Retirement benefits are based on two percent of the average member's five highest fiscal years of total earnings from covered employment during the member's last 15 years of service.

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 10 - Employee Retirement System (Cont.):**

The normal form of benefit is a single life annuity paid monthly, in an amount equal to 2% of the final average salary times years of credited service. Other forms of benefits may be elected subject to actuarial reduction: Cash Refund Annuity, 50% or 100% Contingent Joint and Survivor Annuities, and ten year Certain and Life Annuities. Pre-retirement death benefits are paid to the spouse of a deceased member who had attained the age 50 and completed 25 years of credited service. The annuity payment is computed as if the member had retired on the date of death with a 100% Joint and Survivor pension. If the member's age and service are less than that required, the sum of the accumulated member's and employer contributions with interest is paid to the member's beneficiary or estate.

*Contribution Requirements and Payments Made:* This is a fully qualified plan by the Internal Revenue Service. Therefore, all employee contributions are tax deferred. Participants contribute 6% of their gross compensation and the board of education contributes 15% of covered members' gross compensation to the retirement plan, for a total of 21% annually for those who became members prior to July 1, 1991. Participants who became members after July 1, 2005 contribute 6% of their gross compensation and the board of education contributes 7.5% of covered members' gross compensation to the retirement plan, for a total of 13.5% annually.

The employers' contributions are derived from state appropriations and county funds. Federally funded grant programs provide the funding for the employer contributions for salaries paid from federal grants.

**Net Pension Liability, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources:**

At June 30, 2024, the School Board reported a liability for its proportionate share of the TRS net pension liability that reflected a reduction for State pension support provided to the School Board. The amount recognized by the School Board as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School Board were as follows:

School Board's proportionate share of net pension liability	\$	1,888,417
State's proportionate share of the net pension liability associated with the School Board		23,258,833
Total portion of net pension liability associated with the School Board	\$	25,147,250

The TRS net pension liability was measured as of June 30, 2023, and the total pension liability was determined by an actuarial valuation as of July 1, 2022, rolled forward to the measurement date. The Board's proportion of the net pension liability was based on its proportionate share of employer and non-employer contributions to the TRS Plan for the fiscal year ended on the measurement date.

For the year ended June 30, 2023, the School Board's proportion was 0.082485%, which was an increase of 0.003318% from its proportion measured as of June 30, 2022 (0.079167%).

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 10 - Employee Retirement System (Cont.):**

For the year ended June 30, 2024, the School Board recognized pension expense of \$3,289,652, and for support provided by the State, revenue of \$3,033,756. At June 30, 2024, the School Board reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 33,262	\$ -
Differences between expected and actual experience	68,935	4,745
Changes in proportion and differences between School Board contributions and proportionate share of contributions	445,585	31,471
Changes in assumptions	79,695	-
School Board contributions subsequent to the measurement date	324,843	-
<b>Total</b>	<b>\$ 952,320</b>	<b>\$ 36,216</b>

School Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2025	\$ 172,656
2026	130,578
2027	278,976
2028	8,330
2029	721
Thereafter	-
Total	<b>\$ 591,261</b>

**Actuarial Assumptions:**

For TRS, the actuarial assumptions used in the July 1, 2022 valuation, with update procedures used to roll forward the total pension liability to June 30, 2023, were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. These assumptions are as follows:

**Investment rate of return** – 7.25%, net of investment expense

**Projected salary increases:**

**Educators** – 2.75% - 5.90%

**Non-Educators** – 2.75% - 6.5%

**Inflation rate** – 2.75%

**Discount rate** – 7.25%

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 10 - Employee Retirement System (Cont.):**

**Mortality – Active:** 100% of Pub-2010 General Employee Tables, headcount-weighted, projected with Scale MP-2019. **Retired:** *healthy male retirees* – 100% of Pub-2010 General Retiree Male Table, headcount-weighted, projected with Scale MP-2019, *healthy female retirees* – 112% of Pub-2010 General Retiree Female Table, headcount-weighted, projected with Scale MP-2019; *disabled males* – 107% of Pub-2010 General/Teachers Disabled Male Table, headcount-weighted, projected with Scale MP-2019, *disabled females* – 113% of Pub-2010 General/Teachers Disabled Female Table, headcount-weighted, projected with Scale MP-2019, *beneficiary males* – 101% of Pub-2010 Contingent Survivor Male Table, headcount-weighted, projected with Scale MP-2019, *beneficiary females* – 113% of Pub-2010 Contingent Survivor Female Table, headcount-weighted, projected with Scale MP-2019.

**Withdrawal Rates:**

**Educators** – 7.00% - 35.00%

**Non-Educators** – 2.30% - 18.00%

**Disability Rates** – 0.004% - 0.563%

**Retirement rates** – 15% - 100%

**Investment Asset Allocation:**

The long-term rate of return on pension plan investments was determined using the building block method in which estimates of expected real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	27.5%	6.5%
International Equity	27.5%	9.1%
Fixed Income	15.0%	4.3%
Real Estate	10.0%	5.8%
Private Equity	10.0%	9.2%
Hedge Funds	10.0%	4.6%
	100%	

**Discount Rate:**

The discount rate used to measure the total pension liability was 7.25%. The projections of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position of the TRS Plan was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

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**Note 10 - Employee Retirement System (Cont.):**

The following table presents the School Board’s proportionate share of its net pension liability calculated using the discount rate of 7.25% and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease 6.25%	Current Discount Rate 7.25%	1.0% Increase 8.25%
School Board's proportionate share of the TRS net pension liability	\$ 2,900,131	\$ 1,888,417	\$ 1,029,743

**Payables to the pension plan:**

At June 30, 2024, the School Board reported a liability of \$388,772 for its unpaid legally required contributions to the pension plan. The liability is included in the balance of salaries payable and related payroll liabilities on the Governmental Funds Balance Sheet and the Statement of Net Position.

**B. Teachers' Defined Contribution Retirement System:**

**Plan Description:**

All Board employees hired after July 1, 1991, but before July 1, 2005, participated in the Teachers’ Defined Contribution Retirement System. Employees in the Teachers' Defined Benefit System could freeze their benefits in the old plan and become a member of this plan. Members with less than five years of service in the old defined benefit plan could change to this plan and transfer the funds that were deposited in the old plan to this plan. Once a member transferred to the defined contribution plan, the member was not allowed to rejoin the defined benefit plan.

Effective July 1, 2005, the Teachers’ Defined Contribution Plan was closed to new membership. All employees hired after that date became members of the Teachers’ Defined Benefit Retirement System which was reopened for participation on July 1, 2005. Existing members of the Teachers’ Defined Contribution Plan were given the option to transfer membership to the Teachers’ Defined Benefit Retirement System during the 2008-09 fiscal year. To earn full benefits at retirement, however, members electing to transfer are required to contribute the 1.5% difference between the two plans’ employee contribution rates.

A unique feature of the Teachers' Defined Contribution Plan is that each member chooses the investment options and may make changes at any time. The investment options are: Great-West SF Balanced Trust, Great-West Lifetime 2015 Trust II, Great-West Lifetime 2025 Trust II, Great-West Lifetime 2035 Trust II, Great-West Lifetime 2045 Trust II, Great-West Lifetime 2055 Trust II, American Funds EuroPacific R5, Franklin Mutual Global Discovery Fund – Z, DFA US Targeted Value R1, T. Rowe Price Diversified Small Cap Growth, Vanguard Small-Cap Index Fund – Inv, American Century Heritage Inv, Scout Mid Cap, Fidelity New Millennium, Putnam Equity Income Y, Vanguard Large Cap Index Inv, PIMCO Total Return Fund – Admin, TIAA-CREF High-Yield Inst, Vanguard Interm-Term Bond Index Fund, and VALIC Fixed Annuity Option.

Employees are eligible to participate from the date of employment. Employee contributions are fully vested, and employer contributions and earnings vest with the member as follows: one-third after 6 years,

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**Note 10 - Employee Retirement System (Cont.):**

two-thirds after 9 years, and 100% after 12 years. The member is fully vested at death or disability. As of June 30, 2023, this plan had approximately \$9.4 billion in net position held in trust for pension benefits. Retirement or disability benefits are based solely on the accumulation of dollars in the member's individual account at the time of retirement. The accounting administration of the Plan is the responsibility of Great West Retirement Services, an independent third party administrator.

Funding Status: There is no unfunded liability for a defined contribution plan since a member's total maximum lifetime benefit is limited to that which has accumulated in the member's account from employee and employer contributions and all investment earnings thereon. Any forfeited, unvested employer contributions are, by statute, to be transferred to the Teachers' Defined Benefit Retirement System.

Contribution Requirements and Payments Made: This is a fully-qualified plan by the Internal Revenue Service. Therefore, all employee contributions are tax deferred. Participants contribute 4.5% of their gross salary and the board of education contributes 7.5% of covered members' gross compensation to the retirement plan, for a total of 12% annually.

Total payments reflected in the Board's financial statements to the defined contribution plan for fiscal year ended June 30, 2024 were:

Employees' contributions (4.5%)	\$	45,546
Employer's contributions (7.5%)		75,911
Total contributions	<u>\$</u>	<u>121,457</u>

**Note 11 - Post-Employment Benefits Other Than Pension:**

**General Information:**

Other post-employment benefits in West Virginia consist mainly of: Allowing employees hired prior to July 1, 2001 to convert unused annual, sick and/or personal leave to paid-up PEIA premiums, and allowing retirees to purchase PEIA health insurance at a deeply discounted premium rate.

As a result, the West Virginia Legislature passed HB 4654 in 2006 adding a new article to the State Code, WVC §5-16D-1 et seq. The article, among other things: Created the West Virginia Retiree Health Benefit Trust Fund (RHBT) for the purpose of administering retiree post-employment health care benefits, vested the responsibility for operation of the fund with the PEIA Board of Finance, and required the Board of Finance to have an actuarial valuation conducted at least biannually.

All retired employees are eligible to obtain health insurance coverage through PEIA with the retired employee's premium contribution established by the Finance Board. The Finance Board has allowed retirees to obtain health insurance coverage at essentially the same premium rate as active employees with the difference between the retirees' premium contributions and the cost of providing health care to retirees subsidized by the State. It is this subsidy that has created the major portion of the OPEB actuarial liability.

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**Note 11 - Post-Employment Benefits Other Than Pension (Cont.):**

**Plan Description:**

The West Virginia Other Postemployment Benefit Plan (the Plan) is a cost sharing, multiple employer, defined benefit other post-employment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code §5-16D-2. The financial activities of the Plan are accounted for in the RHBT, a fiduciary fund of the State of West Virginia, established July 1, 2006 as an irrevocable trust. The Plan is administered by a combination of PEIA and RHBT staff. The Plan administers and provides medical and prescription drug benefits to certain retired members receiving pension benefits under the PERS, TRS, TDCRS, TIAA-CREF, Plan G, Troopers Plan A or Troopers Plan B pension systems, as administered by the CPRB.

The Plan sponsor provides a capped pay-as-you-go subsidy to each covered retired member, as well as a fully insured retiree life insurance program.

Retiree contributions are set each year by the RHBT and approved by the PEIA Finance Board. Increases to retiree contributions may reflect healthcare inflation, claim experience, and premium increases above the plan sponsor capped pay-as-you-go subsidy. Retiree contributions depend on date of hire and years of service at retirement. Members hired on or after July 1, 2010, pay retiree healthcare contributions with no sponsor provided implicit or explicit subsidy. Members hired before July 1, 2010, pay retiree healthcare contributions that are reduced by a sponsor subsidy which depends on the member's years of service at retirement.

Details regarding this plan and a copy of the RHBT financial report can be obtained by contacting Public Employees Insurance Agency, 601 57th Street SE, Suite 2, Charleston, West Virginia 25304-2345, or by calling (888) 680-7342.

**Benefits provided:**

Upon retirement, the public employees who elected to participate in the PEIA insurance plan are eligible to credit unused sick or annual leave towards insurance coverage, according to the following formulas:

Retired employees who elected to participate in the PEIA insurance plan prior to July 1, 1988: Those without dependents may credit two days of unused sick or annual leave towards one month of insurance coverage; the retirees with dependents may credit three days of unused sick or annual leave towards one month of insurance coverage.

Retired employees who elected to participate in the PEIA insurance plan between July 1, 1988 and June 30, 2001: those without dependents may credit two days of unused sick or annual leave towards one-half month of insurance coverage; the retirees with dependents may credit three days of unused sick or annual leave towards one-half month of insurance coverage.

Employees hired on or after July 1, 2001 may not apply any unused sick or annual leave towards the cost of health insurance premiums.

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**Note 11 - Post-Employment Benefits Other Than Pension (Cont.):**

In the alternative to applying unused sick and annual leave to health insurance, all employees participating in the PEIA insurance plan, and who are members of the State Teachers' Defined Benefit Retirement System prior to July 1, 2015, may apply unused sick and annual leave towards an increase in the employee's retirement benefits with those days constituting additional credited service. The cost for the employees who elect this option is reflected as a liability of the State Teachers' Retirement System and not included as an OPEB obligation.

**Contributions:**

WVC §5-16D-3 states that contribution requirements of the members and the participating employers are set each year by the RHBT and approved by the PEIA Finance Board. All participating employers are required by statute to contribute to the RHBT this premium at the established rate for every active policyholder per month. The Paygo rates for June 30, 2024 and 2023, respectively, were:

	2024		2023
Paygo Premium	\$	-	\$ 70

Contributions to the OPEB plan from the School Board were \$0 for the year end June 30, 2024. Employees are not required to contribute to the OPEB plan.

The State of West Virginia (the State) is a non-employer contributing entity that provides funding through Senate Bill 469 which was passed February 10, 2012, granting OPEB liability relief to the 55 County Boards of Education effective July 1, 2012. This special funding under the school aid formula subsidizes employer contributions of the county boards of education and contributes to the overall unfunded OPEB liability.

The State is a non-employer contributing entity that provides funding through Senate Bill 419, effective July 1, 2012, and amended by West Virginia Code §11-21-96. For fiscal years beginning on and after July 1, 2016, this Senate Bill and corresponding State Code section requires that an annual amount of \$30 million from the State shall be dedicated for payment of the unfunded liability of the RHBT fund. The \$30 million annual contribution is to continue through July 1, 2037, or until the unfunded liability has been eliminated, whichever comes first.



MINGO COUNTY BOARD OF EDUCATION  
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**Note 11 - Post-Employment Benefits Other Than Pension (Cont.):**

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

At June 30, 2024, the School Board reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the School Board. The amount recognized by the School Board as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the School Board were as follows:

School Board's proportionate share of net OPEB liability (asset)	\$	(185,924)
State's proportionate share of the net OPEB liability (asset) associated with the School Board		(759,984)
Total portion of net OPEB liability (asset) associated with the School Board	\$	(945,908)

The RHBT OPEB actuarial valuation, which was used as the underlying basis for certain information in the Schedules, as of June 30, 2022, was based on a measurement date of June 30, 2023, and was prepared for the purposes of complying with the requirements of GASB Statement 75 for the Plan Employer's fiscal year ended June 30, 2024, financial reporting.

For the year ended June 30, 2023, the School Board's proportion was 0.117487970%, which was an increase of 0.033819568% from its proportion measured as of June 30, 2022 (0.083668402%).

For the year ended June 30, 2024, the School Board recognized OPEB expense of \$(2,408,116) and for support provided by the State, revenue of \$(1,769,272). On June 30, 2024, the School Board reported deferred outflow of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ 3,100
Differences between expected and actual experience	-	108,227
Changes in proportion and differences between School Board contributions and proportionate share of contributions	205,579	171,953
Changes in assumptions	51,267	103,731
School Board contributions subsequent to the measurement date	46,186	-
Total	\$ 303,032	\$ 387,011

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 11 - Post-Employment Benefits Other Than Pension (Cont.):**

School Board contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

	Year ending June 30:
2025	\$ (156,798)
2026	(1,722)
2027	35,272
2028	(6,917)
2029	-
Thereafter	-
Total	\$ (130,165)

**Actuarial Assumptions:**

The total OPEB liability was determined by an actuarial valuation as June 30, 2022, using the following actuarial assumptions. These assumptions were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020 and applied to all periods included in the measurement, unless otherwise specified. These assumptions are as follows:

**Inflation** – 2.50%

**Salary Increases** – Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation.

**Investment rate of return** – 7.40%, net of OPEB plan investment expense, including inflation

**Healthcare cost trend rates** – Trend rate for pre-Medicare and Medicare per capita costs of 7.0% medical and 8.0% drug. The trends increase over four years to 9.0% and 9.5%, respectively. The trends then decrease linearly for 5 years until ultimate trend rate of 4.50% is reached in plan year end 2032.

**Actuarial cost method** – Entry Age Normal Cost Method

**Amortization method** – level percentage of payroll over a 20-year closed period beginning June 30, 2017

**Asset valuation method** – Market Value

**Wage inflation** – 2.75%

**Retirement age** – Rates based on 2015-2020 OPEB experience study and vary by pension plan participation and age/service at retirement. Rates first applied to the 2020 valuation.

**Ageing factors** – Based on the 2013 SOA Study “Health Care Costs – From Birth to Death”

**Mortality Post Retirement** – Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females

**Mortality Pre-Retirement** – Pub-2010 General Employee Mortality Tables (100% for males, 100% females) projected with MP-2021.

**Discount rate** – 7.40%

**Expenses** – Health administrative expenses are included in the development of the per capita claim costs. Operating expenses are included as a component of the annual expense.

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 11 - Post-Employment Benefits Other Than Pension (Cont.):**

**Investment Asset Allocation:**

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Target asset allocations, capital market assumptions (CMA), and a 10-year forecast of nominal geometric returns by major asset class were provided by the plan's investment advisors, including the West Virginia Investment Management Board (WV-IMB). The projected nominal return for the Money Market Pool held with the West Virginia Board of Treasury Investments (WV-BTI) was estimated based on the WV-IMB assumed inflation of 2.0% plus a 25 basis point spread.

The target allocation estimates annualized long-term expected real returns assuming a 10-year horizon are summarized below:

Asset Class	Target Allocation	Long-term Expected Real Return
Equity	45.0%	7.4%
Fixed Income	15.0%	3.9%
Private Credit and Income	6.0%	7.4%
Private Equity	12.0%	10.0%
Real Estate	12.0%	7.2%
Hedge Funds	10.0%	4.5%
Total	100.0%	

A single discount rate of 7.40% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 7.40%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Discount rates are subject to change between measurement dates.

The following table presents the School Board's proportionate share of its net pension liability calculated using the discount rate of 7.40% and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease 6.40%	Current Discount Rate 7.40%	1.0% Increase 8.40%
School Board's proportionate share of the RHBT net OPEB liability	\$ (31,460)	\$ (185,924)	\$ (355,335)

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 11 - Post-Employment Benefits Other Than Pension (Cont.):**

**Healthcare Cost Trend Rate:**

The following table presents the School Board’s proportionate share of its net OPEB liability and the impact of using the healthcare cost trend rate that is 1% higher or lower than the current rate.

	1.0% Decrease	Current Healthcare Cost Trend Rate	1.0% Increase
School Board's proportionate share of the RHBT net OPEB liability	\$ (473,625)	\$ (185,924)	\$ 156,207

**Payables to the OPEB Plan:**

At June 30, 2024, the School Board reported a liability of \$0 for its unpaid legally required contributions to the OPEB plan.

**Opt-Out Employer Balance Reallocation:**

Certain employers that meet the plan’s opt-out criteria are no longer required to make contributions to the plan. These opt-out employers have no continuing involvement with the plan. Accordingly, the amounts previously allocated to such employers for the net OPEB liability and related deferred inflows and outflows are reallocated to the remaining employers participating in the cost sharing plan. The plan reallocates these balances to the remaining active employers based on their proportionate share of contributions made in the period of reallocation.

**Note 12 - Pending Litigation:**

The Board could be involved in a number of legal proceedings and claims, involving students, employees and citizens that could sue the Board for damages. The Board’s insurance through the State Board of Risk and Insurance Management appears adequate to fully cover any potential liability.

**Note 13 - Fund Balance:**

The detailed components of the various fund balance categories as of June 30, 2024 are as follows:

Fund Balances	General Current Expense Fund	Special Revenue Fund	Special Revenue Fund - School Act.	Permanent Improvement Fund	Capital Projects Fund	Total Governmental Funds
<b>Nonspendable:</b>						
Prepaid items	\$ 356,490	\$ -	\$ -	\$ -	\$ -	\$ 356,490
<b>Restricted for:</b>						
Special projects	-	1,566,579	-	-	-	1,566,579
Capital projects	-	-	-	894,008	2,017,562	2,911,570
<b>Committed for:</b>						
RUS Grant	146,284	-	-	-	-	146,284
<b>Assigned to:</b>						
Next year budget balance	2,629,143	-	-	-	-	2,629,143
Open encumbrances	1,611,943	-	-	-	-	1,611,943
BTI investment	5,132,721	-	-	-	-	5,132,721
School operations	-	-	932,866	-	-	932,866
<b>Unassigned</b>	5,526,000	-	-	-	-	5,526,000
<b>Total Fund Balances</b>	\$ 15,402,581	\$ 1,566,579	\$ 932,866	\$ 894,008	\$ 2,017,562	\$ 20,813,596

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 14 - Commitments, Contingencies and Other Items:**

The Board had encumbrances totaling \$7,373,378 as of June 30, 2024 in the following funds:

General Current Expense Fund	Special Revenue Fund	Federal Stimulus and Stabilization Fund	Permanent Improvement Fund
\$ 1,611,943	\$ 786,444	\$ 4,842,572	\$ 132,419

Encumbrances are classified as Restricted, Committed, or Assigned fund balance depending on the specific purpose of the encumbrance.

Under the terms of certain federal grant programs, periodic audits may be made, and certain costs may be questioned as not being appropriate expenses. Laws and regulations governing the grant programs and allowability of program costs are complex and subject to interpretation. Accordingly, such audits could lead to disallowances requiring reimbursements to the grantor agencies, which could be material to the Board’s financial statements. Management of the Board believes that the Board is in compliance with applicable laws and regulations, in all material respects. Based on prior experience, the School Board believes such disallowances, if any, would be immaterial.

Effective with the fiscal year ended June 30, 2015, the Medicaid school-based health services program through the West Virginia Department of Health and Human Resources (DHHR), Bureau for Medical Services has a cost settlement requirement. This change was required by the federal Centers for Medicare and Medicaid Services (CMS). Revenue for services provided during the fiscal year ended June 30, 2024 has been recognized in accordance with the fee-for-service billings because there is insufficient data to estimate the cost settlement amounts. The final cost settlement for the fiscal year ended June 30, 2023 was received by the Board during June 2024. As such, Medicaid revenue has been adjusted accordingly within the accompanying financial statements. The interim cost settlement for the fiscal year ended June 30, 2024 will not be available until spring or summer of 2025. Laws and regulations governing the Medicaid program are complex and subject to interpretation. Management of the Board believes that it is in compliance, in all material respects, with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that would have a material effect on its financial statements. Compliance with such laws and regulations can be subject to future government review and interpretation. Accordingly, such reviews could lead to disallowances and/or significant regulatory action, including fines, penalties and exclusion from the Medicaid program resulting in reimbursement of previously reported revenue, which could be material to the School Board’s financial statements.

The Board owns various buildings which are known to contain asbestos and/or other environmental issues. The Board is not required by federal, state or local law to remove the asbestos from its buildings. The Board is required under federal environmental health and safety regulations to manage the presence of asbestos and other environmental issues in its buildings in a safe condition. The Board addresses its responsibility to manage the presence of asbestos and other environmental issues in its buildings on a case by case basis. Significant problems of dangerous asbestos conditions are abated as the conditions become known. The Board also addresses the presence of asbestos as building renovation or demolition projects are undertaken and through asbestos operation and maintenance programs directed at containing, managing, or operating with the asbestos in a safe condition.

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 15 - Interfund Balances and Transfers:**

**Advances From/To Other Funds**

During the year ended June 30, 2024, the General Current Expense Fund transferred \$952,076 to the Permanent Improvement Fund, the Special Revenue Fund, and the Capital Projects Fund. The Special Revenue transferred \$126,196 to the General Current Expense Fund and \$106,640 to the Special Revenue – School Activity Fund. The Special Revenue – School Activity Fund transferred \$27,816 to the Special Revenue Fund. There were also intrafund transfers of \$143,532 within the Permanent Improvement Fund and \$4,411 within the Special Revenue – School Activity Fund.

**Interfund Transfers**

The General Current Expense fund transferred \$82,259 to the Permanent Improvement Fund for various projects including athletic facilities at both high schools and security upgrades at multiple schools. The General Current Expense fund also transferred \$643,622 to the Capital Projects Fund to fully fund auditorium renovations funded in part by ESSER funds as well as to set aside funds for the Tug Valley High School safe school entry project. The General Current Expense Fund also transferred \$226,195 to the Special Revenue fund for various items such as funding staff development councils, transfers to the adult program, and food service sponsor contributions. The Special Revenue Fund transferred \$126,196 to the General Current Expense Fund for indirect costs related to federal programs operated by the district. The Special Revenue Fund transferred \$106,640 to the Special Revenue – School Activity Fund for faculty senate allocations. The Special Revenue – School Activity Fund transferred \$27,816 to the Special Revenue Fund mostly for adult meal collections from the National School Lunch Program. Finally, the Permanent Improvement Fund transferred \$143,532 within the fund for overages on permanent improvement projects and \$4,411 within the Special Revenue – School Activity Fund for overages.

**Note 16 - Major Sources of Revenue:**

The largest single source of revenue received by the Board is state aid funds through the Public School Support Program. In addition, the Board receives financial assistance from federal and state governments in the form of grants. The disbursement of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the Board's independent auditor and state and federal regulatory agencies.

Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable fund. Based on prior experience, the Board believes such disallowance, if any, would be immaterial.

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 17 – Prior Period Adjustment:**

While the right-of-use asset (ROU) was appropriately reflected on the June 30, 2023 district-wide financial statements for a subscription-based information technology agreement (SBITA), the associated short-term and long-term liability was not reflected on those statements. As a result, beginning net position has been restated.

	<u>Governmental Funds</u>
Beginning fund balance as previously reported at June 30, 2023	\$ 19,947,609
SBITA liability not reflected in FY23 statements	<u>-</u>
June 30, 2023 fund balance, as restated	<u>\$ 19,947,609</u>
	<u>Governmental Activities</u>
Beginning net position as previously reported at June 30, 2023	\$ 98,928,112
SBITA liability not reflected in FY23 statements	<u>(270,686)</u>
June 30, 2023 net position, as restated	<u>\$ 98,657,426</u>

**Note 18 – COVID-19 Pandemic:**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many counties, including the geographical area in which the Board operates.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted. The CARES Act provided federal stimulus dollars to assist state agencies, local school districts, businesses, organizations, families, students, and other entities during the COVID-19 pandemic. The Board received \$1,868,906 from these funds to help mitigate the expenses incurred directly from COVID-19.

On December 27, 2020, The Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act was enacted. The CRRSA Act provided federal stimulus dollars to assist local school districts during the COVID-19 pandemic. The Board received \$7,264,328 from these funds to help mitigate the expenses incurred directly from COVID-19.

On March 11, 2021, The American Rescue Plan Elementary and Secondary School Emergency Relief (“ARP ESSER”) Fund, authorized under the American Rescue Plan (“ARP”) Act of 2021, provided

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 18 – COVID-19 Pandemic (Cont.):**

federal stimulus dollars to assist local school districts during the COVID-19 pandemic. The Board received \$17,130,381 from these funds to help mitigate the expenses incurred directly from COVID-19.

It is unknown how long the adverse conditions from COVID-19 will last and what the complete financial effect will be to the Board.

**Note 19 - Subsequent Events:**

All other commitments, contingencies, and subsequent events have been evaluated by management and have been properly disclosed up through February 6, 2025, the date of this report.



**REQUIRED SUPPLEMENTARY INFORMATION**

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis Amounts	Adjustments for Regulatory Basis	Actual Regulatory Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final				
<b>Revenues:</b>						
Property taxes	\$ 11,477,772	\$ 11,477,772	\$ 11,522,058	\$ -	\$ 11,522,058	\$ 44,286
State sources	30,948,786	31,743,270	31,756,209	-	31,756,209	12,939
Federal sources	100,000	100,000	257,569	-	257,569	157,569
Miscellaneous sources	-	11,525	392,777	-	392,777	381,252
<b>Total revenues</b>	<b>42,526,558</b>	<b>43,332,567</b>	<b>43,928,613</b>	<b>-</b>	<b>43,928,613</b>	<b>596,046</b>
<b>Expenditures:</b>						
Instruction	23,414,106	23,516,648	21,434,632	-	21,434,632	2,082,016
Supporting services:						
Students	2,733,351	2,956,793	2,576,748	-	2,576,748	380,045
Instructional staff	623,111	670,451	591,057	-	591,057	79,394
Central administration	648,295	746,421	573,297	-	573,297	173,124
School administration	2,800,135	2,932,102	2,858,556	-	2,858,556	73,546
Business	968,840	1,047,330	955,183	-	955,183	92,147
Operation and maintenance of facilities	6,533,517	7,144,222	6,756,964	-	6,756,964	387,258
Student transportation	5,792,313	6,403,346	5,573,776	-	5,573,776	829,570
Other	-	25,000	25,000	-	25,000	-
Community services	195,000	192,500	140,000	-	140,000	52,500
Capital outlay	71,570	430,191	83,217	-	83,217	346,974
Finance leases:						
Principal payment expense	-	15,677	15,677	-	15,677	-
SBITAs:						
Principal payment expense	-	87,317	87,317	-	87,317	-
	<b>43,780,238</b>	<b>46,167,998</b>	<b>41,671,424</b>	<b>-</b>	<b>41,671,424</b>	<b>4,496,574</b>
Excess (deficiency) of revenues over expenditures	(1,253,680)	(2,835,431)	2,257,189	-	2,257,189	5,092,620
<b>Other financing sources (uses):</b>						
Transfers in	67,244	67,244	126,196	-	126,196	58,952
Transfers (out)/reserves	(1,016,195)	(1,098,454)	(952,076)	-	(952,076)	146,378
<b>Total other financing sources (uses)</b>	<b>(948,951)</b>	<b>(1,031,210)</b>	<b>(825,880)</b>	<b>-</b>	<b>(825,880)</b>	<b>205,330</b>
<b>Change in fund balances</b>	<b>(2,202,631)</b>	<b>(3,866,641)</b>	<b>1,431,309</b>	<b>-</b>	<b>1,431,309</b>	<b>5,297,950</b>
<b>Fund balances - beginning</b>	<b>2,772,836</b>	<b>13,971,272</b>	<b>13,971,272</b>	<b>-</b>	<b>13,971,272</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 570,205</b>	<b>\$ 10,104,631</b>	<b>\$ 15,402,581</b>	<b>\$ -</b>	<b>\$ 15,402,581</b>	<b>\$ 5,297,950</b>

See Notes to the Required Supplementary Information.

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis Amounts	Adjustments for Regulatory Basis	Actual Regulatory Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final				
<b>Revenues:</b>						
State sources	\$ 506,063	\$ 1,270,127	\$ 1,213,331	\$ -	\$ 1,213,331	\$ (56,796)
Federal sources	6,762,120	9,327,082	8,352,515	-	8,352,515	(974,567)
Miscellaneous sources	-	42,237	49,737	-	49,737	7,500
<b>Total revenues</b>	<b>7,268,183</b>	<b>10,639,446</b>	<b>9,615,583</b>	<b>-</b>	<b>9,615,583</b>	<b>(1,023,863)</b>
<b>Expenditures:</b>						
Instruction	2,949,394	4,938,468	4,082,714	-	4,082,714	855,754
Supporting services:						
Students	269,792	849,694	622,070	-	622,070	227,624
Instructional staff	345,579	1,495,247	876,858	-	876,858	618,389
School services	27,587	30,246	30,246	-	30,246	-
Central services	-	17,981	11,981	-	11,981	6,000
Operation and maintenance of facilities	8,500	68,229	59,729	-	59,729	8,500
Student transportation	-	5,074	5,074	-	5,074	-
Other	-	627	85	-	85	542
Food services	2,957,506	4,596,926	3,783,225	-	3,783,225	813,701
Community Services	-	7,133	3,185	-	3,185	3,948
Capital outlay	-	146,823	146,823	-	146,823	-
<b>Total expenditures</b>	<b>6,558,358</b>	<b>12,156,448</b>	<b>9,621,990</b>	<b>-</b>	<b>9,621,990</b>	<b>2,534,458</b>
Excess (deficiency) of revenues over expenditures	709,825	(1,517,002)	(6,407)	-	(6,407)	1,510,595
<b>Other financing sources (uses):</b>						
Transfers in	-	-	254,011	-	254,011	254,011
Transfers (out)	(67,244)	(257,682)	(232,836)	-	(232,836)	24,846
<b>Total other financing sources (uses)</b>	<b>(67,244)</b>	<b>(257,682)</b>	<b>21,175</b>	<b>-</b>	<b>21,175</b>	<b>278,857</b>
<b>Change in fund balances</b>	<b>642,581</b>	<b>(1,774,684)</b>	<b>14,768</b>	<b>-</b>	<b>14,768</b>	<b>1,789,452</b>
<b>Fund balances - beginning</b>	<b>-</b>	<b>1,588,311</b>	<b>1,551,811</b>	<b>-</b>	<b>1,551,811</b>	<b>(36,500)</b>
<b>Fund balances - ending</b>	<b>\$ 642,581</b>	<b>\$ (186,373)</b>	<b>\$ 1,566,579</b>	<b>\$ -</b>	<b>\$ 1,566,579</b>	<b>\$ 1,752,952</b>

See Notes to the Required Supplementary Information.

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - SPECIAL REVENUE SCHOOL ACTIVITY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis Amounts	Adjustments for Regulatory Basis	Actual Regulatory Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final				
<b>Revenues:</b>						
Miscellaneous sources	\$ -	\$ -	\$ 1,221,786	\$ (1,221,786)	\$ -	\$ -
<b>Total revenues</b>	-	-	1,221,786	(1,221,786)	-	-
<b>Expenditures:</b>						
Instruction	-	-	1,193,295	(1,193,295)	-	-
<b>Total expenditures</b>	-	-	1,193,295	(1,193,295)	-	-
Excess (deficiency) of revenues over expenditures	-	-	28,491	(28,491)	-	-
<b>Other financing sources (uses):</b>						
Transfers in	-	-	111,051	(111,051)	-	-
Transfers (out)	-	-	(32,227)	32,227	-	-
<b>Total other financing sources (uses)</b>	-	-	78,824	(78,824)	-	-
<b>Change in fund balances</b>	-	-	107,315	(107,315)	-	-
<b>Fund balances - beginning</b>	-	-	825,551	(825,551)	-	-
<b>Fund balances - ending</b>	\$ -	\$ -	\$ 932,866	\$ (932,866)	\$ -	\$ -

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - FEDERAL STIMULUS AND STABILIZATION FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis Amounts	Adjustments for Regulatory Basis	Actual Regulatory Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final				
<b>Revenues:</b>						
Federal sources	\$ 1,809,462	\$ 14,840,904	\$ 9,950,759	\$ -	\$ 9,950,759	\$ (4,890,145)
<b>Total revenues</b>	<b>1,809,462</b>	<b>14,840,904</b>	<b>9,950,759</b>	<b>-</b>	<b>9,950,759</b>	<b>(4,890,145)</b>
<b>Expenditures:</b>						
Instruction	871,084	2,329,098	2,280,203	-	2,280,203	48,895
Supporting services:						
Students	191,174	132,825	126,143	-	126,143	6,682
Instructional staff	-	129,180	28,522	-	28,522	100,658
School administration	-	13,258	13,258	-	13,258	-
Central services	-	-	-	-	-	-
Operation and maintenance of facilities	-	12,612	12,612	-	12,612	-
Student transportation	-	304,062	304,062	-	304,062	-
Food services	-	16,163	16,163	-	16,163	-
Capital outlay	-	11,792,707	7,169,796	-	7,169,796	4,622,911
SBITAs:						
Principal payment expense	-	66,576	-	-	-	66,576
<b>Total expenditures</b>	<b>1,062,258</b>	<b>14,796,481</b>	<b>9,950,759</b>	<b>-</b>	<b>9,950,759</b>	<b>4,845,722</b>
Excess (deficiency) of revenues over expenditures	747,204	44,423	-	-	-	(44,423)
<b>Other financing sources (uses):</b>						
Transfers (out)	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in fund balances</b>	<b>747,204</b>	<b>44,423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(44,423)</b>
<b>Fund balances - beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 747,204</b>	<b>\$ 44,423</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(44,423)</b>

MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF THE SCHOOL BOARDS PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Reported Fiscal Year (Measurement Date) 2024 (2023)	Reported Fiscal Year (Measurement Date) 2023 (2022)	Reported Fiscal Year (Measurement Date) 2022 (2021)	Reported Fiscal Year (Measurement Date) 2021 (2020)	Reported Fiscal Year (Measurement Date) 2020 (2019)	Reported Fiscal Year (Measurement Date) 2019 (2018)	Reported Fiscal Year (Measurement Date) 2018 (2017)	Reported Fiscal Year (Measurement Date) 2017 (2016)	Reported Fiscal Year (Measurement Date) 2016 (2015)	Reported Fiscal Year (Measurement Date) 2015 (2014)
School Board's proportion of the net pension liability (asset)	0.082485%	0.079167%	0.069646%	0.080317%	0.055428%	0.053672%	0.051810%	0.070458%	0.062707%	0.000000%
School Board's proportionate share of net pension liability (asset)	\$ 1,888,417	\$ 2,036,227	\$ 1,088,413	\$ 1,620,681	\$ 1,649,078	\$ 1,675,778	\$ 1,790,021	\$ 2,893,695	\$ 2,172,957	\$ 2,798,238
State's proportionate share of the net pension liability (asset) associated with the district	23,258,833	29,270,423	17,384,127	26,442,899	26,464,696	29,936,917	27,521,327	40,176,809	37,762,773	53,094,226
<b>Total</b>	<b>25,147,250</b>	<b>31,306,650</b>	<b>18,472,540</b>	<b>28,063,580</b>	<b>28,113,774</b>	<b>31,612,695</b>	<b>29,311,348</b>	<b>43,072,504</b>	<b>39,935,730</b>	<b>55,892,464</b>
School Board's covered-employee payroll	\$ 24,114,815	\$ 23,275,312	\$ 23,337,741	\$ 22,968,899	\$ 21,910,789	\$ 21,449,674	\$ 21,704,437	\$ 22,730,860	\$ 23,402,252	\$ 23,392,104
School Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	7.831%	8.748%	4.664%	7.056%	7.526%	7.813%	8.247%	12.739%	9.285%	11.962%
Plan fiduciary net position as a percentage of the total pension liability	80.42%	77.78%	86.38%	70.89%	72.64%	71.20%	67.85%	61.42%	66.25%	65.95%

MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF THE SCHOOL BOARD'S PENSION CONTRIBUTIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,986,161	\$ 1,900,973	\$ 1,852,226	\$ 1,871,753	\$ 1,860,245	\$ 1,801,348	\$ 1,767,469	\$ 1,804,855	\$ 1,787,265	\$ 1,811,563
Contributions in relation to the contractually required contribution	(1,986,161)	(1,900,973)	(1,852,226)	(1,871,753)	(1,860,245)	(1,801,348)	(1,767,469)	(1,804,855)	(1,787,265)	(1,811,563)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Board's covered-employee payroll	\$ 25,331,677	\$ 24,114,815	\$ 23,275,312	\$ 23,337,741	\$ 22,968,899	\$ 21,910,789	\$ 21,449,674	\$ 21,704,437	\$ 22,730,860	\$ 23,402,252
School Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	7.841%	7.883%	7.958%	8.020%	8.099%	8.221%	8.240%	8.316%	7.863%	7.741%

MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF THE SCHOOL BOARD'S PROPORTIONATE  
SHARE OF THE NET OPEB LIABILITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Reported Fiscal Year (Measurement Date)	Reported Fiscal Year (Measurement Date)	Reported Fiscal Year (Measurement Date)	Reported Fiscal Year (Measurement Date)	Reported Fiscal Year (Measurement Date)	Reported Fiscal Year (Measurement Date)	Reported Fiscal Year (Measurement Date)
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
School Board's proportion of the net OPEB liability (asset)	0.117488%	0.083668%	0.062834%	0.111261%	0.098432%	0.186082%	0.142558%
School Board's proportionate share of net OPEB liability (asset)	\$ (185,924)	\$ 93,122	\$ (18,683)	\$ 491,432	\$ 1,633,112	\$ 3,992,276	\$ 3,505,482
State's proportionate share of the net OPEB liability (asset) associated with the district	(759,984)	374,578	(84,330)	2,277,219	7,430,060	10,318,587	16,394,797
Total	(945,908)	467,700	(103,013)	2,768,651	9,063,172	14,310,863	19,900,279
School Board's covered-employee payroll	\$ 20,585,672	\$ 19,836,489	\$ 19,967,204	\$ 19,755,272	\$ 19,353,860	\$ 18,419,297	\$ 18,889,573
School Board's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	-0.903%	0.469%	-0.094%	2.488%	8.438%	21.674%	18.558%
Plan fiduciary net position as a percentage of the total OPEB liability	109.66%	93.59%	101.81%	73.49%	39.69%	30.98%	25.10%

See Notes to the Required Supplementary Information.



MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF THE SCHOOL BOARDS' OPEB CONTRIBUTIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	\$ 46,186	\$ 392,033	\$ 637,453	\$ 877,930	\$ 931,500	\$ 1,179,277	\$ 1,117,244
Contributions in relation to the contractually required contribution	(46,186)	(392,033)	(637,453)	(877,930)	(931,500)	(1,179,277)	(1,117,244)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Board's covered-employee payroll	\$ 21,789,843	\$ 20,585,372	\$ 19,836,489	\$ 19,967,204	\$ 19,755,272	\$ 19,353,860	\$ 18,419,297
School Board's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.212%	1.904%	3.214%	4.397%	4.715%	6.093%	6.066%

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**A. Budgets and Budgetary Accounting:**

All boards of education within West Virginia are required by statute to prepare annual budgets and levy rate estimates on prescribed forms and submit these for approval. Budgets are presented on the regulatory basis of accounting for all governmental funds. The regulatory basis of accounting for West Virginia Boards of Education does not include amounts for other post-employment benefits billed by PEIA beyond the retiree subsidy (pay-as-you-go) amount because only the retiree subsidy amounts are required to be remitted according to WVC 5-16d-6(e). Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the Board is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain its financial condition and to determine the amount that is to be raised from the levy of taxes for the fiscal year commencing July 1. The Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.
2. The Board is also required to submit its proposed budget for the subsequent year to the State Board of Education for approval by the date established in the budget calendar. The Board is also required to hold a public hearing on the proposed budget before it is submitted for approval. The proposed budget must be made available for public inspection for at least 10 days before the public hearing is held.

Revisions to the budget are authorized only with the prior written approval of the State Board of Education.

**B. Excess of Expenditures over Appropriations:**

For the year ended June 30, 2024 there were no such material instances where expenditures exceeded appropriations in the funds listed at the function level, which, according to State Board Policy, is the level at which budgetary controls must be maintained.

MINGO COUNTY BOARD OF EDUCATION  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**C. Changes in Assumptions**

The actuarial assumptions used in the total pension liability calculation can change from year to year. Please see the table below which summarizes the actuarial assumptions used for the respective measurement dates.

Inflation	<b>2021-2023:</b> 2.75%	<b>2015-2020:</b> 3%	<b>2014:</b> 2.2%	
Salary Increases	<b>2021-2023:</b> Educators - 2.75%-5.90% Non-Educators - 2.75%-6.50%	<b>2020:</b> State - 3.00%-6.00% Non-State - 3.00%-6.50%	<b>2018-2019:</b> For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%.	<b>2016-2017:</b> For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%.
Salary Increases	<b>2014-2015:</b> For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.75 to 5.25%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.40 to 6.50%.			
Investment Rate of Return	<b>2021-2023:</b> 7.25%, net of pension plan investment expense	<b>2014-2020:</b> 7.5%, net of pension plan investment expense, including inflation		
Mortality	<b>2022-2023:</b> Active: 100% of Pub-2010 General Employee Tables, headcount-weighted, projected with Scale MP-2019. Retired: healthy males - 100% of Pub-2010 General Retiree Male Table, headcount-weighted, projected with Scale MP-2019, healthy females - 112% of Pub-2010 General Retiree Female Table, headcount-weighted, projected with Scale MP-2019; disabled males - 107% of Pub-2010 General/Teachers Disabled Male Table, headcount-weighted, projected with Scale MP-2019, disabled females - 113% of Pub-2010 General/Teachers Disabled Female Table, headcount-weighted, projected with Scale MP-2019.	<b>2020-2021:</b> Active: Pub-2010 General Employee Tables, headcount-weighted, projected with Scale MP-2019. Retired: healthy males - Pub-2010 General Retiree Male Table, headcount-weighted, projected with Scale MP-2019, healthy females - 112% of Pub-2010 General Retiree Female Table, headcount-weighted, projected with Scale MP-2019; disabled males - 107% of Pub-2010 General/Teachers Disabled Male Table, headcount weighted, projected with Scale MP-2019, disabled females - 113% of Pub-2010 General/Teachers Disabled Female Table, headcount-weighted, projected with Scale MP-2019.	<b>2016-2019:</b> Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis, disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis.	<b>2014-2015:</b> Active – RP2000, non-annuitant monthly mortality table, retired – RP2000 healthy annuitant, scale AA; disabled – RP2000 disabled annuitant mortality table, scale AA.
Discount Rate	<b>2021-2023:</b> 7.25%	<b>2014-2020:</b> 7.50%		

**MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The actuarial assumptions used in the total OPEB liability calculation can change from year to year. Please see table below which summarizes the actuarial assumptions used for the respective measurement dates:

Inflation	<b>2023:</b> 2.50%	<b>2020-2022:</b> 2.25%	<b>2017-2019:</b> 2.75%	
Salary Increases	<b>2020-2023</b> Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation.	<b>2017-2019:</b> Dependent upon pension system. Ranging from 3.0% to 6.5%, including inflation.		
Investment Rate of Return	<b>2023:</b> 7.40%, net of OPEB plan investment expense, including inflation	<b>2020-2022:</b> 6.65%, net of OPEB plan investment expense, including inflation	<b>2017-2019:</b> 7.15%, net of OPEB plan investment expense, including inflation.	
Mortality	<b>2023:</b> Postretirement: Pub-2010 General Healthy Retiree Mortality Tables (100% males, 108% females) projected with MP-2021 for TRS. Pub-2010 General Below Median Healthy Retiree Tables (106% males, 113% females) projected with MP-2021 for PERS. Pub-2010 Public Safety Healthy Retiree Mortality Tables (100% males, 100% females) projected with Scale MP-2021 for Troopers A and B. Pre-Retirement: Pub-2010 General Employee Mortality Tables (100% males, 100% females) projected with Scale MP-2021 for TRS. Pub-2010 Below-Median Income General Employee Mortality Tables projected with Scale MP-2021 for PERS. Pub-2010 Public Safety Employee Mortality Tables projected with Scale MP-2021 for Troopers A & B.	<b>2022:</b> Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females. Pre-retirement: Pub-2010 General Employee Mortality Tables projected with MP-2021.	<b>2020-2021</b> Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 100% for males and 108% for females. Pre-retirement: Pub-2010 General Employee Mortality Tables projected with MP-2019.	<b>2017-2019:</b> Post-Retirement: RP-2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generation basis. Pre-Retirement: RP-2000 Non-Annuitant Mortality Table projected with Scale AA on a fully generational basis.
Discount Rate	<b>2023:</b> 7.40%	<b>2020-2022:</b> 6.65%	<b>2017-2019:</b> 7.15%	
Healthcare Cost Trend Rates	<b>2023:</b> Trend rate for pre-Medicare and Medicare per capita costs of 7.0% medical and 8.0% drug. The trends increase over four years to 9.0% and 9.5%, respectively. The trends then decrease linearly for 5 years until ultimate trend rate of 4.50% is reached in plan year end 2032.	<b>2022:</b> Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2023, decreasing by 0.50% for two years then by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032. Trend rate for Medicare per capita costs of 8.83% for plan year end 2023, decreasing ratably each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032.	<b>2021:</b> Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2020, decreasing by 0.50% for one year then by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032. Trend rate for Medicare per capita costs of (31.11%) for plan year end 2022. 9.15% for plan year end 2023, decreasing ratably each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.	<b>2020:</b> Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2022, 6.50% for plan year end 2023, decreasing 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year 2032. Trend rate for Medicare per capita costs of 3.11% for plan year end 2022, 9.15% for plan year end 2023, 8.40% for plan year end 2024, decreasing gradually each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.
	<b>2019:</b> Trend rate for pre-Medicare per capita costs of 8.5% for plan year end 2020, decreasing by 0.5% each year thereafter, until ultimate trend rate of 4.5% is reached in plan year 2028. Trend rate for Medicare per capita costs of 3.1% for plan year end 2020. 9.5% for plan year end 2021, decreasing by 0.5% each year thereafter, until ultimate trend rate of 4.5% is reached in plan year end 2031.	<b>2018:</b> Actual trend used for fiscal year 2018. For fiscal years on and after 2019 trend starts at 8.00% and 10.00% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend of 4.5%. Excess trend rate of 0.13% and 0.00% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2022 to account for the Excise Tax.	<b>2017:</b> Actual trend used for fiscal year 2017. For fiscal years on and after 2018 trend starts at 8.50% and 9.75% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend of 4.5%. Excess trend rate of 0.14% and 0.29% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2020 to account for the Excise Tax.	

**OTHER SUPPLEMENTARY INFORMATION**

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - PERMANENT IMPROVEMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis Amounts	Adjustments for Regulatory Basis	Actual Regulatory Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final				
<b>Revenues:</b>						
Property taxes	\$ 389,456	\$ 389,456	\$ 426,566	\$ -	\$ 426,566	\$ 37,110
State Sources	-	20,000	35,000	-	35,000	15,000
Miscellaneous sources	-	500	1,680	-	1,680	1,180
<b>Total revenues</b>	<b>389,456</b>	<b>409,956</b>	<b>463,246</b>	<b>-</b>	<b>463,246</b>	<b>53,290</b>
<b>Expenditures:</b>						
Operation and maintenance of facilities	-	199,104	64,662	-	64,662	134,442
Capital outlay	-	1,250,135	974,264	-	974,264	275,871
Debt service:						
Principal retirement	133,333	133,333	133,333	-	133,333	-
Interest and fiscal charges	15,000	15,000	15,000	-	15,000	-
<b>Total expenditures</b>	<b>148,333</b>	<b>1,597,572</b>	<b>1,187,259</b>	<b>-</b>	<b>1,187,259</b>	<b>410,313</b>
Excess (deficiency) of revenues over expenditures	241,123	(1,187,616)	(724,013)	-	(724,013)	463,603
<b>Other financing sources (uses):</b>						
Transfers in	-	242,259	225,791	-	225,791	(16,468)
Transfers (out)	-	(242,259)	(143,532)	-	(143,532)	98,727
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>82,259</b>	<b>-</b>	<b>82,259</b>	<b>82,259</b>
<b>Change in fund balances</b>	<b>241,123</b>	<b>(1,187,616)</b>	<b>(641,754)</b>	<b>-</b>	<b>(641,754)</b>	<b>545,862</b>
<b>Fund balances - beginning</b>	<b>-</b>	<b>1,535,762</b>	<b>1,535,762</b>	<b>-</b>	<b>1,535,762</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 241,123</b>	<b>\$ 348,146</b>	<b>\$ 894,008</b>	<b>\$ -</b>	<b>\$ 894,008</b>	<b>\$ 545,862</b>

See Notes to the Other Supplementary Information.

MINGO COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis Amounts	Adjustments for Regulatory Basis	Actual Regulatory Basis Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final				
<b>Revenues:</b>						
State sources	\$ -	\$ 545,030	\$ 376,365	\$ -	\$ 376,365	\$ (168,665)
<b>Total revenues</b>	<b>-</b>	<b>545,030</b>	<b>376,365</b>	<b>-</b>	<b>376,365</b>	<b>(168,665)</b>
<b>Expenditures:</b>						
Capital outlay	640,000	3,248,243	1,065,638	-	1,065,638	2,182,605
<b>Total expenditures</b>	<b>640,000</b>	<b>3,248,243</b>	<b>1,065,638</b>	<b>-</b>	<b>1,065,638</b>	<b>2,182,605</b>
Excess (deficiency) of revenues over expenditures	(640,000)	(2,703,213)	(689,273)	-	(689,273)	2,013,940
<b>Other financing sources (uses):</b>						
Transfers in	640,000	640,000	643,622	-	643,622	3,622
<b>Total other financing sources (uses)</b>	<b>640,000</b>	<b>640,000</b>	<b>643,622</b>	<b>-</b>	<b>643,622</b>	<b>3,622</b>
<b>Change in fund balances</b>	<b>-</b>	<b>(2,063,213)</b>	<b>(45,651)</b>	<b>-</b>	<b>(45,651)</b>	<b>2,017,562</b>
<b>Fund balances - beginning</b>	<b>-</b>	<b>2,063,213</b>	<b>2,063,213</b>	<b>-</b>	<b>2,063,213</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,017,562</b>	<b>\$ -</b>	<b>\$ 2,017,562</b>	<b>\$ 2,017,562</b>

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO OTHER SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**A. Budgets and Budgetary Accounting:**

All boards of education within West Virginia are required by statute to prepare annual budgets and levy rate estimates on prescribed forms and submit these for approval. Budgets are presented on the regulatory basis of accounting for all governmental funds. The regulatory basis of accounting for West Virginia Boards of Education does not include amounts for other post-employment benefits billed by PEIA beyond the retiree subsidy (pay-as-you-go) amount because only the retiree subsidy amounts are required to be remitted according to WVC 5-16d-6(e). Certain other transactions such as donated foods from the West Virginia Department of Agriculture Food Distribution Program are also not included in the Board's regulatory basis budget. Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the Board is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain its financial condition and to determine the amount that is to be raised from the levy of taxes for the fiscal year commencing July 1. The Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.
2. The Board is also required to submit its proposed budget for the subsequent year to the State Board of Education for approval by the date established in the budget calendar. The Board is also required to hold a public hearing on the proposed budget before it is submitted for approval. The proposed budget must be made available for public inspection for at least 10 days before the public hearing is held.

Revisions to the budget are authorized only with the prior written approval of the State Board of Education.

**B. Excess of Expenditures over Appropriations:**

For the year ended June 30, 2024, there were no such material instances where expenditures exceeded appropriations in the funds listed at the function level, which, according to state board policy, is the level at which budgetary control must be maintained.



MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF CHANGES IN SCHOOL ACTIVITY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Cash Balance 7/1/23	Revenues Received	Expenditures Paid	Cash Balance 6/30/24
Burch PreK	\$ 43,754	\$ 141,754	\$ 131,679	\$ 53,829
Dingess Elementary	25,361	14,345	17,671	22,035
Gilbert K-8	81,630	117,982	111,380	88,232
Kermit PreK-8	36,769	45,141	39,747	42,163
Lenore PreK-8	31,393	106,894	99,376	38,911
Matewan PreK-8	108,165	44,425	33,896	118,694
Mingo Central High	217,885	310,161	278,765	249,281
Mingo Extended Learning Center	49,041	138,750	143,790	44,001
Tug Valley High	162,732	306,580	262,379	206,933
Williamson PreK-8	68,821	106,804	106,838	68,787
<b>Total</b>	<u>\$ 825,551</u>	<u>\$ 1,332,836</u>	<u>\$ 1,225,521</u>	<u>\$ 932,866</u>

**MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF EXCESS LEVY REVENUES AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Current Year			Levy To Date		
	Estimated Per Levy Call	Actual	Variance	Estimated Per Levy Call	Actual	Variance
<b>Excess Levy Collections</b>	\$ 6,004,312	\$ 5,789,323	\$ (214,989)	\$ 30,021,560	\$ 27,396,192	\$ (2,625,368)
<b>Expenditures Mingo County Levy Call:</b>						
<b>Textbooks, Equipment, and Supplies</b> Including, but not limited to, providing free textbooks, books, workbooks and electronic textbooks to students, as well as providing technology equipment, supplies, and technology support services to install and maintain equipment in all Mingo County School facilities.	300,000	143,710	(156,290)	1,500,000	1,105,194	(394,806)
<b>Additional Educational Opportunities</b> Including, but not limited to, providing additional educational opportunities for students of Mingo County by offering evening classes, summer school, remedial programs, spelling bees, social studies fair, math field day, as well as other academic competitions. Also including funding for academic field trips and travel for in state competitions.	35,600	23,941	(11,659)	178,000	117,185	(60,815)
<b>Support to Schools</b> Including, but not limited to, providing supplies and equipment for music, theater arts, school libraries, instruction, and other school operations.	79,140	138,224	59,084	395,700	404,828	9,128
<b>Support for Band and Choral</b> To provide support for Band and Choral grades 5 - 12.	20,000	18,036	(1,964)	100,000	78,659	(21,341)
<b>Facilities Repairs/Maintenance, Safety, and Security</b> Including, but not limited to, furnishing, equipping, repairing, renovating any board facility where necessary. As well as providing funds to achieve and maintain compliance with safety standards, as well as ensuring a safe and healthy environment for the students and staff of Mingo County Schools.	682,905	848,684	165,779	3,414,525	3,649,948	235,423
<b>Support for Community Services</b> Including support for Mingo County Health Department, Mingo County Extension Office 4H program, Mingo County Libraries and the Williamson Library	230,000	175,000	(55,000)	1,150,000	1,085,000	(65,000)
<b>Support for Sports/Athletics</b> Including, but not limited to, providing funding to maintain all athletic programs at the K8 and High School level. Funding for the two county high schools in the fixed amount of \$12,000.00 per high school, with additional funding of \$26,000.00 to be divided between the high schools based on student participation. To continue support of middle school programs in the amount of \$9,000.00 per PreK-8. To provide funding for facility rentals for athletic events per written contract(s) in the total amount of \$50,000.00. Also providing funding for student travel to athletic events and providing athletic insurance for all student athletes.	523,200	525,737	2,537	2,616,000	2,590,034	(25,966)
<b>Employee Support</b> Including, but not limited to, providing professional salary supplements for all supervisory personnel, directors, principals, teaching personnel per approved salary schedule and payment of related expenses for fixed cost as well as providing salaries and fixed cost for positions not funded by the state basic public education support program. Providing salary supplements and fixed cost for service personnel, secretaries, aides, bus operators, truck drivers, mechanics, custodian's cooks and maintenance personnel per approved salary schedule. Providing substitute cost for professional and service positions as well as funding for the sick leave incentive and related fixed cost. Continuation of the dental and optical plan for employees and dependents.	4,033,467	3,702,002	(331,465)	20,167,335	18,260,095	(1,907,240)
<b>Improvement of Facilities</b> Including, but not limited to, improvements and upgrades to facilities.	100,000	136,529	36,529	500,000	712,446	212,446
<b>Total Expenditures</b>	6,004,312	5,711,863	(292,449)	30,021,560	28,003,389	(2,018,171)
<b>Excess of Collections over Expenditures</b>	\$ -	\$ 77,460	\$ 77,460	\$ -	\$ (607,197)	\$ (607,197)

MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Awarding Agency	Grant Name	Grant Identification	Total Grant Award	Beginning Balance (7/1/23)	Current Year Receipts	Current Year Expenditures	Ending Balance (6/30/24)
WV Department of Education	SPECIAL ED STATE AID	02210	\$ 64,945	\$ 2,989	\$ -	\$ 2,989	\$ -
WV Department of Education	STATE SPECIAL EDUCATION	02310	61,699	33,873	-	33,873	-
WV Department of Education	HIGH ACCUITY SPEC NEEDS	02350	45,312	45,312	-	28,474	16,838
WV Department of Education	SP ED REIMBURSEMENT	02361	14,597	14,597	-	14,597	-
WV Department of Education	STATE SPECIAL EDUCATION	02410	27,860	-	27,860	27,126	734
WV Department of Education	CPI TRAINING	02430	15,446	-	-	-	-
WV Department of Education	SPECIAL ED HIGH COST ACUI	02450	43,267	-	43,267	3,573	39,694
WV Department of Education	SPED ED-	02461	23,527	-	-	-	-
WV Department of Education	TVHS PRO START MATCHING	04420	280	-	280	-	280
WV Department of Education	CTE HOSPITALITY CUP	04421	700	-	700	-	700
WV Department of Education	CTE GRAPHIC DESIGN MCHS	04422	253	-	253	-	253
WV Department of Education	TECH & ADULT ED SECONDARY	05210	100,390	1,413	-	1,413	-
WV Department of Education	ESTABLISH GRANT T HATCHER	05223	7,500	7,500	-	2,900	4,600
WV Department of Education	CTE-GK8/MK8 DISCOVER-FUTU	05224	9,400	7,393	-	7,393	-
WV Department of Education	EPIC-MCHS NATL NCHSE CONF	05240	11,000	-	11,000	-	11,000
WV Department of Education	STATE SECONDARY BLOCK	05310	112,185	75,529	-	75,213	316
WV Department of Education	CTE-EPIC	05324	29,650	29,650	-	2,021	27,629
WV Department of Education	EPIC	05326	2,500	2,500	-	-	2,500
WV Department of Education	CTE PROGRAM MODERNIZATION	05331	28,285	25,745	-	-	25,745
WV Department of Education	TECH CENTERS THAT WORK	05340	2,500	2,500	-	-	2,500
WV Department of Education	SREB -MCHS	05341	6,000	6,000	-	1,425	4,575
WV Department of Education	SECONDARY EQUIP REPLACEMT	05380	11,196	9,196	-	-	9,196
WV Department of Education	SECONDARY FORMULA	05410	103,227	-	103,227	32,151	71,076
WV Department of Education	CTE-MCHS GRAPHIC DESIGN	05425	1,000	-	1,000	1,000	-
WV Department of Education	MODERNIZATION TVHS AGRIBU	05432	4,402	-	4,402	482	3,920
WV Department of Education	SREB MCHS/TVHS	05440	5,000	-	5,000	-	5,000
WV Department of Education	GRAPHIC DESIGN MCHS	05441	1,500	-	1,500	763	737
WV Department of Education	SREB-MAKING SCHOOLS WORK	05442	6,000	-	6,000	-	6,000
WV Department of Education	CTE EQUIPMENT REPLACEMENT	05480	9,194	-	9,194	-	9,194
WV Department of Education	EARLY LITERACY	14410	58,447	-	58,447	47,903	10,544
WV Department of Education	ALTERNATIVE EDUCATION	17410	63,425	-	63,425	63,425	-
WV Department of Education	STATE EL FUNDS	18410	1,019	-	1,019	-	-
WV Department of Education	COMMUNITIES IN SCHOOLS	19312	213,750	8,104	-	8,104	-
WV Department of Education	COMMUNITIES IN SCHOOLS	19412	202,500	-	202,500	160,851	41,649
WV Department of Education	MELC-HS EQUIV TESTING	24311	3,500	3,500	-	3,500	-
WV Department of Education	BASEBALL RENOVATION 508	25290	5,000	4,885	-	4,885	-
WV Department of Education	CTE MCHS TCTW SREB PD	26210	2,500	1,296	-	1,296	-
WV Department of Education	SREB MCHS TCTW CONFERENCE	26211	6,000	2,596	-	2,596	-
WV Department of Education	TOOLS FOR SCHOOL	26430	123,194	-	123,194	123,194	-
WV Department of Education	CTE SREB HSTW-MCHS	28213	2,500	2,500	-	2,500	-
WV Department of Education	TEACHER OF THE YEAR	28214	300	300	-	300	-
WV Department of Education	WVEIS 2.0 EXPERTS	28310	6,000	6,000	(6,000)	-	-
WV Department of Education	ACADEMIC SHOWDOWN COMPET	28311	2,000	1,348	-	1,348	-
WV Department of Education	INVEST	28312	36,500	36,500	-	36,131	369
WV Department of Education	TEACHER OF THE YR-E STARR	28313	300	220	-	190	30
WV Department of Education	STATE GRANT-STACEY FLOYD	28314	1,000	-	-	-	-
WV Department of Education	COUNTY TEACHER LEADERSHIP	28317	2,000	2,000	-	-	2,000
WV Department of Education	AP TEST MCHS	28318	8,745	-	8,745	-	8,745
WV Department of Education	AP TEST TVHS	28319	3,498	-	3,498	3,498	-
WV Department of Education	GROW YOUR OWN-TVHS	28381	875	875	-	-	875
WV Department of Education	SREB	28411	2,500	-	2,500	-	2,500
WV Department of Education	COUNTY TEACHER LEADERSHIP	28412	2,000	-	2,000	-	2,000
WV Department of Education	INVEST GRANT-SUB S. FLOYD	28413	182	-	-	-	-
WV Department of Education	TEACHER OF YEAR-R. HUNT	28414	300	-	300	283	17
WV Department of Education	CTE SUMMER INVEST CONF	28415	300	-	-	-	-
WV Department of Education	NATL STUDENT SUPPORT	29322	305	-	-	-	-
WV Department of Education	NATL STUDENT SUPPORT	29323	305	-	-	-	-
WV Department of Education	TEACHER INCENTIVE	29340	28,145	-	552	552	-
WV Department of Education	STATE INCENTIVE	29440	23,263	-	23,263	23,263	-
WV Department of Education	CTE-MELC LPN EQUIP UPGRAD	62213	10,000	10,000	-	10,000	-
WV Department of Education	ACE SUPPORT	62312	5,000	-	5,000	5,000	-
WV Department of Education	TECH AND ADULT ED	62411	129,009	-	129,009	129,009	-
WV Department of Education	CTE EXPLORATION MCHS/TVHS	70211	45,018	20,707	-	20,707	-
WV Department of Education	CTE-TVHS AET FOR ARIG PRO	72211	325	325	-	325	-
WV Department of Education	CTE TVHS PRO START	80211	255	255	-	255	-
WV Department of Education	CTE-PROSTART HOSPITALITY	80312	700	700	-	-	700
WV Department of Education	EQUIPMENT GRANT	88313	15,625	-	15,625	15,625	-
WV Department of Education	LFS-F2S FARM TO SCHOOL	88316	18,045	-	18,045	-	18,045
WV Department of Education	CN - BACKPACK PROGRAM	88396	28,778	28,778	-	11,921	16,857
WV Department of Education	SCRATCH COOKING	88397	8,000	-	8,000	-	8,000
WV Department of Education	CH NUTR-MATCHING GRANT	88416	20,840	-	20,840	-	20,840
WV Department of Education	CHILD NUTR MATCHING GRANT	88418	4,800	-	-	-	-
WV Department of Education	CHILD NUTRITION BACKPACK	88491	38,288	-	38,288	-	38,288
WV Department of Education	C/N SCRATCH COOKING	88492	2,000	-	2,000	-	2,000
				\$ 395,086	\$ 933,934	\$ 913,073	\$ 415,947

MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/ Pass-Through Grantor/ <u>Program Title</u>	Federal Assistance <u>Listing Number</u>	Pass-Through Grantor's <u>Number</u>	Expenditures <u>Paid</u>
U.S. Department of Agriculture Passed Through West Virginia Department of Agriculture Child Nutrition Cluster:			
Donated Foods (Non-cash)	10.555	88	\$ 202,975
Passed Through West Virginia Department of Education			
National School Breakfast & Lunch Program	10.555	88	3,094,213
Summer Food Service Program for Children	10.559	88	<u>312,013</u>
Total Child Nutrition Cluster			3,609,201
Fresh Fruits and Vegetable Program	10.582	88	<u>146,478</u>
		Total U.S. Department of Agriculture	<u>3,755,679</u>
U.S. Department of Justice Passed Through West Virginia Department of Education Public Safety Partnership and Community Policing Grants	16.710	39	<u>108,388</u>
		Total U.S. Department of Justice	<u>108,388</u>
U.S. Department of Education Passed Through West Virginia Department of Education			
Title I Grants to Local Educational Agencies	84.010	41	2,339,633
Special Education Cluster:			
Special Education Grants to States	84.027	43	1,665,979
Special Education - Pre-School	84.173	43	37,946
Special Education - Deaf & Blind	84.326T	43	<u>1,500</u>
Total Special Education Cluster			1,705,425
Career and Technical Education	84.048	50	94,731
Rural and Low Income	84.358	59	116,198
Title II Improving Teacher Quality	84.367	40	250,661
Title IV Part A: Student Support and Academic Enrichment	84.424	42	214,931
COVID-19 - Education Stabilization Fund:			
Elementary and Secondary School Emergency Relief Fund (ESSERF) (COVID-19)	84.425D	52	353,484
ESSERF - American Rescue Plan (ARP) (COVID-19)	84.425U	52	9,570,338
ARP - Homeless Children and Youth	84.425W	52	<u>26,936</u>
Total COVID-19 - Education Stabilization Fund			9,950,758
Passed Through West Virginia Higher Education Policy Commission Gaining Early Awareness and Readiness for Undergraduate Programs (GEARUP)	84.334	74	<u>37,536</u>
		Total U.S. Department of Education	<u>14,709,873</u>
		Total Federal Financial Assistance Expended	<u>\$ 18,573,940</u>

See Notes to the Schedule of Expenditures of Federal Awards

MINGO COUNTY BOARD OF EDUCATION  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Note 1 – Basis of Presentation:**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Mingo County Board of Education and is presented on a basis of accounting principles generally accepted in the United States of America. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**Note 2 – Indirect Costs:**

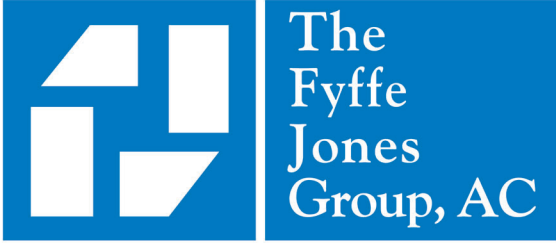
The Mingo County Board of Education did not elect to use the 10% de minimis indirect cost rate for its federal programs.

**Note 3 – Food Distribution:**

The Mingo County Board of Education's non-cash assistance received from the U.S. Department of Agriculture Donated Foods Program of \$202,975, is included in the Schedule of Expenditures of Federal Awards based upon the fair market value of the commodities at the time of receipt and reflects the amount distributed for the year ended June 30, 2024.

**Note 4 – Subrecipients:**

The Mingo County Board of Education did not pass through any federal funds to subrecipients during the year ended June 30, 2024.



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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*

To the Mingo County Board of Education  
Williamson, West Virginia

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 and each major fund of the Mingo County Board of Education, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Mingo County Board of Education's basic financial statements, and have issued our report thereon dated February 6, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Mingo County Board of Education's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Mingo County Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Mingo County Board of Education'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

### **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.

A handwritten signature in blue ink that reads "The Fyffe Jones Group, AC". The signature is written in a cursive, flowing style.

THE FYFFE JONES GROUP, AC

Huntington, West Virginia

February 6, 2025



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

To the Mingo County Board of Education  
Williamson, West Virginia

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

***Opinion on Each Major Federal Program***

We have audited the Mingo County Board of Education'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 Mingo County Board of Education's major federal programs for the year ended June 30, 2024. Mingo County Board of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Mingo County Board of Education 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 Mingo County Board of Education'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 Mingo County Board of Education's federal programs.



### ***Auditors' Responsibility 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 Mingo County Board of Education'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 generally accepted auditing standards, *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 Mingo County Board of Education's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Mingo County Board of Education'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 Mingo County Board of Education'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 Mingo County Board of Education'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***

Management of the Mingo County Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Mingo County Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Mingo County Board of Education's internal control over compliance.

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

*The Fyffe Jones Group, AC*

THE FYFFE JONES GROUP, AC

Huntington, West Virginia

February 6, 2025

MINGO COUNTY BOARD OF EDUCATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section I – Summary of Auditors’ Results**

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None Reported
Noncompliance material to financial statements?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None Reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	No

Programs tested:

Assistance Listing Numbers	Name of the Federal Program/Cluster
10.555	Donated Foods (Non-cash)
10.555	National School Breakfast & Lunch Program
84.425D	ESSERF
84.425U	ESSERF - American Rescue Plan (ARP)
84.425W	ARP - Homeless Children and Youth

Dollar threshold used to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as a low-risk auditee:	Yes

**Section II – Financial Statement Findings**

No matters were reported.

**Section III – Federal Award Findings and Questioned Costs**

No matters were reported.

MINGO COUNTY BOARD OF EDUCATION  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

There were no findings in the prior audit.