

CAMP HILL SCHOOL DISTRICT

FINANCIAL REPORT

JUNE 30, 2024

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1 - 3
Management's Discussion and Analysis	4 - 11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	16
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	17
Statement of Net Position - Proprietary Fund - Food Service	18
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund - Food Service	19
Statement of Cash Flows - Proprietary Fund - Food Service	20
Statement of Fiduciary Net Position	21
Statement of Changes in Fiduciary Net Position	22
Notes to Financial Statements	23 - 62

CONTENTS (CONTINUED)

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	63
Notes to Required Supplementary Information	64
Required Supplementary Information - Schedules of Changes in OPEB Liability and Related Ratios - District's Single Employer Plan	65
Required Supplementary Information - Schedules of District's Proportionate Share of the Net OPEB Liability - PSERS Cost- Sharing Plan	66
Required Supplementary Information - Schedules of District's OPEB Contributions - PSERS Cost-Sharing Plan	67
Required Supplementary Information - Schedules of District's Proportionate Share of the Net Pension Liability	68
Required Supplementary Information - Schedules of District's Pension Contributions	69

SUPPLEMENTARY INFORMATION

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	70 - 71
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance as Required by the Uniform Guidance	72 - 74
Schedule of Findings and Questioned Costs	75 - 78
Schedule of Expenditures of Federal Awards	79 - 80
Notes to Schedule of Expenditures of Federal Awards	81
Summary Schedule of Prior Year's Audit Findings	82
Corrective Action Plan	83

INDEPENDENT AUDITOR'S REPORT

Board of School Directors
Camp Hill School District
Camp Hill, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the Contents and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the Contents and Schedule of Expenditures of Federal Awards 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 January 21, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering District's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Boyer & Ritten". The signature is written in a cursive, flowing style with a large loop at the end of the last name.

Camp Hill, Pennsylvania
January 21, 2025

**CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The Management of Camp Hill School District (District) has prepared the following discussion and analysis (MD&A) to provide an overview of the financial performance of the District for the year ended June 30, 2024. This reports the District's activities in accordance with governmental reporting requirements, and provides highlights of significant transactions, events, and conditions. The management's discussion and analysis should be read in conjunction with the District's basic financial statements and notes to those statements.

Financial Highlights

For fiscal year 2023-24, the School Board adopted a general fund budget in the amount of \$29,548,729, and a real estate tax millage rate of 18.6786, which represented 1.5% tax increase from the 2022-23 year. The budget was adopted with a planned deficit of \$1,128,282. The actual expenditures were \$29,217,928, and revenues were \$29,396,507, with other financing uses of \$1,000,000, resulting in a decrease to the general fund balance of \$821,421.

Using these Financial Statements

The financial statements consist of, in addition to the MD&A, a series of financial statements and other required supplementary information. The statement of net position and the statement of activities provide information about the activities of the District as a whole, and present both a short-term and long-term view of the District's financial status.

The remaining "fund financial statements" focus on a more detailed presentation of operations. For governmental activities, these statements tell how the District's services have been financed in the short-term, as well as show the amount remaining for future spending. The reconciliation of the governmental funds balance sheet reconciles the governmental fund balances to the total net position presented on the statement of net position. The reconciliation does the same for the components of the changes in fund balances. Proprietary fund statements provide information about non-governmental operations, in our case, food services. Fiduciary fund statements report funds held in trust by the District for such things as student activities.

Following the basic financial statements is required supplementary information that consists of the District's budgetary comparison and other postemployment benefit plans and information related to the District's pension plan.

CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024

Reporting the District as a Whole

The statement of net position and statement of activities present financial activities and the results of those activities in two categories, governmental and business-type. Capital assets (land, buildings, improvements, furniture, equipment, and library books) are presented with all other assets. Long-term debt is presented with all other liabilities. The measurement focus of revenue and expense is similar to that used in the private sector and is referred to as the accrual basis of accounting. This is discussed further in the notes to financial statements.

Reporting the District's Most Significant Funds

The fund statements provide financial information about the District's significant funds rather than the District as a whole. There are three fund types - governmental, proprietary, and fiduciary. The use of each type of fund is described in the notes to financial statements. Unlike the financial statements that measure revenues on the accrual basis, the funds statements report revenues only to the extent cash has been received or is expected to be received in the near future. This is known as the modified-accrual basis of accounting and is unique to governmental entities.

The District as Trustee

The District acts as fiduciary for one fund, a student activities fund. In comparison to the governmental funds, the amounts held in the fiduciary funds are small.

The District as a Whole

The District's total net position (deficit) was (\$3,910,976) at June 30, 2024, a decrease of \$342,801 from the end of the previous year. Table A-1 summarizes and compares the statement of net position from the financial statements.

Table A-1
Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current assets	\$ 17,633,161	\$ 18,529,565	\$ (61,277)	\$ 20,066	\$ 17,571,884	\$ 18,549,631
Noncurrent assets						
Capital Assets	44,920,157	46,792,808	2,207	3,024	44,922,364	46,795,832
Total assets	\$ 62,553,318	\$ 65,322,373	\$ (59,070)	\$ 23,090	\$ 62,494,248	\$ 65,345,463
Deferred outflows of resources	\$ 6,955,399	\$ 6,361,620	\$ 71,351	\$ 65,060	\$ 7,026,750	\$ 6,426,680
Current liabilities	\$ 5,586,815	\$ 6,329,660	\$ 7,995	\$ 10,021	\$ 5,594,810	\$ 6,339,681
Long-term liabilities (less pension)	32,382,105	33,935,704	28,247	28,219	32,410,352	33,963,923
Net pension liability	33,868,000	33,142,000	342,000	335,000	34,210,000	33,477,000
Total liabilities	\$ 71,836,920	\$ 73,407,364	\$ 378,242	\$ 373,240	\$ 72,215,162	\$ 73,780,604
Deferred inflows of resources	\$ 1,201,950	\$ 1,541,912	\$ 14,862	\$ 17,802	\$ 1,216,812	\$ 1,559,714
Net Investment in capital assets	\$ 13,761,543	\$ 14,131,310	\$ 2,207	\$ 3,024	\$ 13,763,750	\$ 14,134,334
Restricted	132,176	176,566	-	-	132,176	176,566
Unrestricted deficit	(17,423,872)	(17,573,159)	(383,030)	(305,916)	(17,806,902)	(17,879,075)
Total net position	\$ (3,530,153)	\$ (3,265,283)	\$ (380,823)	\$ (302,892)	\$ (3,910,976)	\$ (3,568,175)

CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024

The District as a Whole (Continued)

Table A-2 summarizes and compares activity presented in the statement of activities. It shows the items that made up the decrease in total net position. This decrease (increase) represents a change in reported value measuring revenue and expenses on an accrual basis. It does not represent a decrease (increase) in cash or other readily available funds. Net position for governmental activities decreased by \$264,870, and net position for business-type activities decreased by \$77,931.

Table A-2
Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 271,797	\$ 272,402	\$ 129,207	\$ 134,039	\$ 401,004	\$ 406,441
Grants and contributions:						
Operating	5,300,981	5,230,860	212,639	243,443	5,513,620	5,474,303
General Revenue:						
Taxes	20,675,574	20,505,369	-	-	20,675,574	20,505,369
Grants, subsidies, contributions, not restricted	2,420,930	2,296,278	-	-	2,420,930	2,296,278
Other	772,692	359,869	15,452	3,937	788,144	363,806
Total Revenues	<u>29,441,974</u>	<u>28,664,778</u>	<u>357,298</u>	<u>381,419</u>	<u>29,799,272</u>	<u>29,046,197</u>
Direct Expenses	<u>(29,706,844)</u>	<u>(27,358,559)</u>	<u>(435,229)</u>	<u>(417,238)</u>	<u>(30,142,073)</u>	<u>(27,775,797)</u>
Changes in net position	(264,870)	1,306,219	(77,931)	(35,819)	(342,801)	1,270,400
Net position - beginning	<u>(3,265,283)</u>	<u>(4,571,502)</u>	<u>(302,892)</u>	<u>(267,073)</u>	<u>(3,568,175)</u>	<u>(4,838,575)</u>
Net position - ending	<u><u>\$ (3,530,153)</u></u>	<u><u>\$ (3,265,283)</u></u>	<u><u>\$ (380,823)</u></u>	<u><u>\$ (302,892)</u></u>	<u><u>\$ (3,910,976)</u></u>	<u><u>\$ (3,568,175)</u></u>

**CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The District as a Whole (Continued)

Governmental Activities

Table A-3, shown below, presents expense information from the statement of activities for governmental activities. The total cost of services represents the actual cost of providing the services, while the net cost represents the amount of cost not recovered through program revenues, meaning user charges, grants, and contributions. The total net cost of services of \$20,987,033 must be recovered through general revenue, primarily taxes, and state subsidies. Amounts not recovered will reduce funds available for future years.

**Table A-3
Statements of Total and Net Cost of Services**

Function/Programs	Governmental Activities					
	Total Cost of Services		Less: Program Revenue		Net Cost of Services	
	2024	2023	2024	2023	2024	2023
Instructional programs	\$ 17,802,243	\$ 17,062,487	\$ 4,195,042	\$ 3,935,777	\$ 13,607,201	\$ 13,126,710
Instructional student support	3,710,361	3,050,838	590,715	800,957	3,119,646	2,249,881
Administrative and financial support	3,076,054	2,696,467	320,610	291,922	2,755,444	2,404,545
Operation and maintenance of plant services	2,592,812	2,411,263	144,301	147,022	2,448,511	2,264,241
Pupil transportation	239,001	141,654	7,342	7,148	231,659	134,506
Student activities	1,444,196	1,156,101	292,401	296,532	1,151,795	859,569
Community services	50,094	28,803	-	-	50,094	28,803
Interest on long-term debt	792,083	810,946	22,367	23,904	769,716	787,042
Total Governmental Activities	<u>\$ 29,706,844</u>	<u>\$ 27,358,559</u>	<u>\$ 5,572,778</u>	<u>\$ 5,503,262</u>	<u>\$ 24,134,066</u>	<u>\$ 21,855,297</u>
Less grants, subsidies, and contributions not restricted, and investment earnings					<u>3,147,033</u>	<u>2,630,719</u>
Total needs from local taxes and other local sources					<u>\$ 20,987,033</u>	<u>\$ 19,224,578</u>

Business-Type Activities

Table A-4 is similar to the previous table, except it presents business-type service costs.

**Table A-4
Statements of Total and Net Cost of Services**

	Business-Type Activities					
	Total Cost of Services		Less: Program Revenue		Net Cost of Services	
	2024	2023	2024	2023	2024	2023
Food service	\$ 435,229	\$ 417,238	\$ 341,846	\$ 377,482	\$ 93,383	\$ 39,756
Less investment earnings					15,452	3,937
Total needs from local taxes and other revenues					<u>\$ 77,931</u>	<u>\$ 35,819</u>

**CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024**

District Funds

The information in Table A-5 summarizes and compares the governmental funds' fund balances for June 30, 2024 and 2023. Overall Governmental Fund Balances decreased by \$171,718.

**Table A-5
Statements of Comparative Fund Balance**

	2024	2023	Change
Nonspendable	\$ 1,884,389	\$ 1,903,525	\$ (19,136)
Restricted			
Capital projects	-	9	(9)
Scholarships	57,225	60,752	(3,527)
Performing Arts Center	74,951	115,814	(40,863)
Committed			
Curriculum and technology	1,000,000	1,000,000	-
Future capital expenditures	-	211,905	(211,905)
Other	35,321	35,321	-
Assigned			
Instructional investments	500,000	500,000	-
Upcoming CTC Project	481,000	481,000	-
Future capital expenditures	8,040,519	7,175,375	865,144
Giant food insecurity donations	44,584	44,584	-
Unassigned	1,286,886	2,048,308	(761,422)
Total all governmental funds	\$ 13,404,875	\$ 13,576,593	\$ (171,718)

As previously mentioned, the basis of measurement for fund assets and liabilities is different than that used in the statement of net position. The differences between the total governmental fund balances of \$13,404,875 and the total net position (deficit) of \$(3,530,153) are itemized in the reconciliation presented within the financial statements. Primarily, the difference relates to inclusion of capital assets and related long-term debt, inclusion of unamortized bond-related costs, taxes receivable, and net pension and other post-employment benefit liabilities and related deferrals, in the statement of net position.

**CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024**

General Fund Budgetary Highlights

Table A-6 has been summarized from the comparative budget information.

**Table A-6
Comparison on Budget to Actual**

	Final Budget		Actual		Variance	
	2024	2023	2024	2023	2024	2023
Total Revenues	\$ 28,420,447	\$ 27,565,029	\$ 29,396,507	\$ 28,629,495	\$ 976,060	\$ 1,064,466
Total Expenditures	28,448,729	27,338,466	29,217,928	27,430,184	(769,199)	(91,718)
Revenues over/(under) Expenditures	(28,282)	226,563	178,579	1,199,311	206,861	972,748
Other financing sources/(uses)	(1,000,000)	(131,000)	(1,000,000)	(200,000)	-	(69,000)
Net changes in fund balance	\$ (1,028,282)	\$ 95,563	\$ (821,421)	\$ 999,311	\$ 206,861	\$ 903,748

The 23-24 original budget was expected to have a deficit of \$1,128,282; however, the actual expenses and revenue generated a deficit of \$821,421. There are a number of factors that caused this result. Actual revenues exceeded the budgeted amount by \$976,060, largely due to investment earnings being higher than budget. Actual expenditures and other financing uses exceeded budgeted amounts by \$669,199.

Capital Assets

Table A-7 summarizes and makes year-to-year comparisons between the District's capital assets; year-to-year changes in capital assets as presented in the notes section of the financial statements. The net cost of the capital assets on the books at June 30, 2024, was \$44,920,157. This is about a \$1,872,651 decrease from June 30, 2023 with the difference due to about \$546,061 increase in new assets and a \$2,418,712 increase in accumulated depreciation/amortization.

**Table A-7
Capital Asset Comparison**

	Capital Assets (Net of Depreciation)		
	2024	2023	Change
Governmental Activities:			
Land and site improvements	\$ 2,367,733	\$ 2,484,531	\$ (116,798)
Building and building improvements	39,778,744	41,094,332	(1,315,588)
Furniture and equipment	1,529,886	1,904,583	(374,697)
Right to use leased equipment	1,243,794	1,309,362	(65,568)
Total governmental activities - capital assets	\$ 44,920,157	\$ 46,792,808	\$ (1,872,651)
Business-Type Activities			
Furniture and equipment	\$ 2,207	\$ 3,024	\$ (817)

**CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Debt Administration

Table A-8 summarizes the long-term liabilities, of the governmental and business-type activities of the District, more fully described in the notes to financial statements. Long Term Debt decreased by about \$800,000, mostly attributable to a decrease in General Obligation Debt.

**Table A-8
Long-Term Liabilities**

	2024	2023	Change
General obligation debt	\$ 29,889,618	\$ 31,343,233	\$ (1,453,615)
Compensated absences	333,627	375,743	(42,116)
Other post-employment benefits	2,342,805	2,331,950	10,855
Net pension liability	34,210,000	33,477,000	733,000
Lease payable	1,268,996	1,318,265	(49,269)
Total long-term liabilities	\$ 68,045,046	\$ 68,846,191	\$ (801,145)

Next Year's Budget, Economic Factors, and Rates

General Fund Budget

Table A-9 compares the 2024-25 to the 2023-24 budget.

**Table A-9
Comparison of Budgets**

	Budget		
	2025	2024	Change
Budget revenues			
Local sources	\$ 23,059,864	\$ 21,762,577	\$ 1,297,287
State sources	6,516,337	6,234,870	281,467
Federal/other sources	173,000	423,000	(250,000)
Total budgeted revenues	\$ 29,749,201	\$ 28,420,447	\$ 1,328,754
Budgeted Expenditures			
Salaries	\$ 13,252,458	\$ 12,429,200	\$ 823,258
Benefits	8,082,059	8,042,700	39,359
Outside student and professional services	1,762,390	1,737,650	24,740
Purchased property services	678,364	905,000	(226,636)
Other services and tuitions	2,175,512	1,654,472	521,040
Supplies/materials/texts	1,339,377	946,278	393,099
Equipment	292,250	455,600	(163,350)
Dues, fees, interest	1,003,997	1,021,829	(17,832)
Transfers and principal	1,855,001	2,356,000	(500,999)
	\$ 30,441,408	\$ 29,548,729	\$ 892,679
Budgeted change in fund balance	\$ (692,207)	\$ (1,128,282)	\$ 436,075

**CAMP HILL SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Next Year's Budget, Economic Factors, and Rates (Continued)

General Fund Budget (Continued)

- The District adopted the 2024-25 budget in the amount of \$30,441,408, an increase of \$892,679 over the previous year.
- The professional contract with the Camp Hill Education Association was executed on December 4, 2023. The contract is effective July 1, 2024 through June 30, 2027. The agreement included salary increases of 3.75% for 2024-2025, 4.0% for 2025-2026 and 4.25% for 2026-2027.
- The District continues to share in the cost of a renovation project of the Siebert Park facilities with the Camp Hill Borough. The annual cost to the District began in 2014-15 and is approximately \$85,000 annually.
- Revenue budget accounts increased by \$1,328,754 for the 2024-25 fiscal year. The local real estate tax rate increased by 5.3%. Earned Income Tax, as well as interest earnings were also estimated to be higher based on actuals from 23-24.
- The 2024-2025 budget was approved with a deficit of \$692,207. The Board intends to use fund balance for the remaining difference.

Contacting the District's Financial Management

The District's financial report is intended to provide the readers with a general overview of the District's finances and to show the Board's accountability for the funds it receives. If you have questions about this report or wish to request additional financial information, please visit the District website at www.camphillsd.k12.pa.us, or contact Kerry Martin at the District Office of the Camp Hill School District, 418 S 24th Street, Camp Hill, PA 17011, (717) 901-2400 x5945.

CAMP HILL SCHOOL DISTRICT

STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets			
Cash and cash equivalents	12,541,955	\$ 171,371	\$ 12,713,326
Restricted cash and cash equivalents	74,951	-	74,951
Investments	7,022	12	7,034
Taxes receivable, net	1,044,244	-	1,044,244
Intergovernmental receivables	1,335,325	30,014	1,365,339
Internal balances	270,926	(270,926)	-
Other receivables	474,349	-	474,349
Inventories	-	8,252	8,252
Risk-sharing pool deposit	1,884,389	-	1,884,389
Total current assets	17,633,161	(61,277)	17,571,884
Capital Assets			
Land and construction in progress	997,842	-	997,842
Other capital assets, net of depreciation/amortization	43,922,315	2,207	43,924,522
Total capital assets	44,920,157	2,207	44,922,364
Total assets	\$ 62,553,318	\$ (59,070)	\$ 62,494,248
Deferred Outflows of Resources			
Deferred amounts on pension liability	\$ 6,445,000	\$ 65,000	\$ 6,510,000
Deferred amounts on OPEB liabilities	510,399	6,351	516,750
Total deferred outflows of resources	\$ 6,955,399	\$ 71,351	\$ 7,026,750
Liabilities			
Current Liabilities			
Accounts payable	\$ 214,075	\$ -	\$ 214,075
Other current liabilities	26,023	-	26,023
Current portion of long-term debt	1,424,694	-	1,424,694
Accrued salaries and benefits	3,816,725	-	3,816,725
Accrued interest in long-term debt	105,298	-	105,298
Unearned revenues	-	7,995	7,995
Total current liabilities	5,586,815	7,995	5,594,810
Noncurrent Liabilities			
Long-term portion of bonds payable, net of unamortized discount and premium	29,733,920	-	29,733,920
Long-term portion of compensated absences	333,627	-	333,627
Net pension liability	33,868,000	342,000	34,210,000
Net other postemployment benefits (OPEB) liability	2,314,558	28,247	2,342,805
Total long-term liabilities	66,250,105	370,247	66,620,352
Total liabilities	\$ 71,836,920	\$ 378,242	\$ 72,215,162
Deferred Inflows of Resources			
Deferred amounts on pension liability	\$ 463,000	\$ 5,000	\$ 468,000
Deferred amounts on OPEB liabilities	738,950	9,862	748,812
Total deferred inflows of resources	\$ 1,201,950	\$ 14,862	\$ 1,216,812
Net Position (Deficit)			
Net investment in capital assets	\$ 13,761,543	\$ 2,207	\$ 13,763,750
Restricted	132,176	-	132,176
Unrestricted (deficit)	(17,423,872)	(383,030)	(17,806,902)
Total net position (deficit)	\$ (3,530,153)	\$ (380,823)	\$ (3,910,976)

CAMP HILL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2024

		Program Revenues			Net (Expense) Revenues and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction	\$ 17,802,243	\$ 104,569	\$ 4,090,473	\$ -	\$ (13,607,201)	\$ -	\$ (13,607,201)
Instructional student support	3,710,361	-	590,715	-	(3,119,646)	-	(3,119,646)
Administrative and financial Support services	3,076,054	-	320,610	-	(2,755,444)	-	(2,755,444)
Operation and maintenance of plant services	2,592,812	1,170	143,131	-	(2,448,511)	-	(2,448,511)
Pupil transportation	239,001	-	7,342	-	(231,659)	-	(231,659)
Student activities	1,444,196	166,058	126,343	-	(1,151,795)	-	(1,151,795)
Community services	50,094	-	-	-	(50,094)	-	(50,094)
Interest on long-term debt	792,083	-	22,367	-	(769,716)	-	(769,716)
Total governmental activities	29,706,844	271,797	5,300,981	-	(24,134,066)	-	(24,134,066)
Business-Type Activities:							
Food Service	435,229	129,207	212,639	-	-	(93,383)	(93,383)
Total primary government	\$ 30,142,073	\$ 401,004	\$ 5,513,620	\$ -	\$ (24,134,066)	\$ (93,383)	\$ (24,227,449)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					\$ 14,913,959	\$ -	\$ 14,913,959
Public utility realty, earned income, and other taxes levied for general purposes, net					5,761,615	-	5,761,615
Unrestricted grants and subsidies					2,420,930	-	2,420,930
Unrestricted investment earnings					726,103	15,452	741,555
Miscellaneous income					46,589	-	46,589
Total general revenues					23,869,196	15,452	23,884,648
Changes in net position					(264,870)	(77,931)	(342,801)
Net Deficit - July 1, 2023					(3,265,283)	(302,892)	(3,568,175)
Net Deficit - June 30, 2024					\$ (3,530,153)	\$ (380,823)	\$ (3,910,976)

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2024

	Major Funds			Total
	General Fund	Capital Projects Funds	Special Revenue Fund	Governmental Funds
Assets				
Cash and cash equivalents	\$ 12,475,488	\$ 11,490	\$ 54,977	\$12,541,955
Restricted cash and cash equivalents	74,951	-	-	74,951
Investments	-	-	7,022	7,022
Taxes receivable, net	1,044,244	-	-	1,044,244
Due from other funds	604,768	860,618	-	1,465,386
Intergovernmental receivables	1,335,325	-	-	1,335,325
Other receivables	145,281	-	-	145,281
Risk-sharing pool deposit	1,884,389	-	-	1,884,389
Total assets	<u>\$ 17,564,446</u>	<u>\$ 872,108</u>	<u>\$ 61,999</u>	<u>\$18,498,553</u>
Liabilities				
Accounts payable	\$ 207,111	\$ 6,964	\$ -	\$ 214,075
Due to student groups	26,023	-	-	26,023
Due to other funds	860,618	-	4,774	865,392
Accrued salaries and benefits	2,346,908	-	-	2,346,908
Payroll deductions and withholdings	1,469,817	-	-	1,469,817
Total liabilities	<u>4,910,477</u>	<u>6,964</u>	<u>4,774</u>	<u>4,922,215</u>
Deferred Inflows of Resources				
Unavailable tax revenue	171,463	-	-	171,463
Fund Balances				
Nonspendable	1,884,389	-	-	1,884,389
Restricted	74,951	-	57,225	132,176
Committed	1,035,321	-	-	1,035,321
Assigned	8,200,959	865,144	-	9,066,103
Unassigned	1,286,886	-	-	1,286,886
Total fund balances	<u>12,482,506</u>	<u>865,144</u>	<u>57,225</u>	<u>13,404,875</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 17,564,446</u>	<u>\$ 872,108</u>	<u>\$ 61,999</u>	<u>\$18,498,553</u>

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2024**

Total fund balances - governmental funds		\$ 13,404,875
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds. The cost of assets is \$72,994,500 and the accumulated depreciation/amortization is \$28,074,343.		44,920,157
Property taxes receivable are available for collection this year, but they are not available soon enough to pay for the current period's expenditures, and therefore, they are deferred inflows of resources in the funds.		171,463
Deferred inflows and outflows or resources related to pensions are applicable to future periods, and therefore, are not reported within the funds. Deferred inflows and outflows related to pensions are as follows (see footnote for details):		
Deferred outflows		6,445,000
Deferred inflows		(463,000)
Deferred inflows and outflows or resources related to OPEB are applicable to future periods, and therefore, are not reported within the funds. Deferred inflows and outflows related to OPEB are as follows (see footnote for details):		
Deferred outflows		510,399
Deferred inflows		(738,950)
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds and notes payable	(29,029,000)	
Accrued interest on long-term debt	(105,298)	
Unamortized bond premiums and discounts, net	(860,618)	
Leases payable	(1,268,996)	
Net pension liability	(33,868,000)	
Net other postemployment benefits (OPEB) liabilities	(2,314,558)	
Compensated absences	(333,627)	(67,780,097)
Total net deficit governmental activities		<u>\$ (3,530,153)</u>

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS**

Year Ended June 30, 2024

	Major Funds			Totals
	General Fund	Capital Projects Funds	Special Revenue Fund	Governmental Funds
Revenues				
Local sources				
Real estate taxes	\$14,882,785	\$ -	\$ -	\$14,882,785
Other taxes	5,757,450	-	-	5,757,450
Investment earnings	721,725	2,704	1,673	726,102
Other revenue	1,198,436	-	5,750	1,204,186
Total local sources	22,560,396	2,704	7,423	22,570,523
State sources	6,276,073	-	-	6,276,073
Federal sources	560,038	-	-	560,038
Total revenues	29,396,507	2,704	7,423	29,406,634
Expenditures				
Instructional services	16,336,345	-	-	16,336,345
Support services	9,188,731	6,964	-	9,195,695
Noninstructional services	1,400,955	-	10,950	1,411,905
Capital outlay	-	260,927	-	260,927
Debt service	2,215,632	81,583	-	2,297,215
Refund of prior year revenues	76,265	-	-	76,265
Total expenditures	29,217,928	349,474	10,950	29,578,352
Excess (deficiency) of revenues over expenditures	178,579	(346,770)	(3,527)	(171,718)
Other Financing Sources (Uses)				
Interfund transfers in (out)	(1,000,000)	1,000,000	-	-
Total other financing	(1,000,000)	1,000,000	-	-
Net changes in fund balances	(821,421)	653,230	(3,527)	(171,718)
Fund Balances:				
July 1, 2023	13,303,927	211,914	60,752	13,576,593
June 30, 2024	\$12,482,506	\$ 865,144	\$ 57,225	\$13,404,875

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
STATEMENT OF ACTIVITIES**

Year Ended June 30, 2024

Net changes in fund balances - total governmental funds	\$	(171,718)
--	----	-----------

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. The amount by which depreciation/amortization exceeds capital outlays in the period is as follows:

Capital outlays	546,061	
Depreciation/amortization expense	<u>(2,418,712)</u>	(1,872,651)

Because some property and earned income taxes receivable will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds. Deferred tax revenues decreased by this amount this year.	35,339
---	--------

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditures in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. The additional interest accrued in the Statement of Activities over the amount due is shown here.	2,246
---	-------

Governmental funds report district pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as pension and OPEB expense.	
District pension and OPEB contributions (PSERS)	4,108,000
Cost of benefits earned net of employee contributions (PSERS)	(3,871,900)

Some expenses reports in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in compensated absences	42,116
Change in other post-employment benefits (District Plan)	(39,186)

The issuance of long-term obligations (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The net effect of these differences in the treatment of long-term obligations and related items is as follows:

Repayment of long-term debt	1,356,000	
Amortization of bond premiums and discounts - net	97,615	
Repayment of leases payable	<u>49,269</u>	1,502,884

Change in net position - governmental activities	\$	<u>(264,870)</u>
---	----	------------------

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUND - FOOD SERVICE June 30, 2024

	Food Service Fund
Assets	
Cash and cash equivalents	\$ 171,371
Investments	12
Intergovernmental receivables	30,014
Inventories	8,252
Capital assets - net of depreciation	2,207
Total assets	\$ 211,856
Deferred Outflows of Resources	
Deferred amounts on pension liability	\$ 65,000
Deferred amounts on OPEB liabilities	6,351
Total deferred outflows of resources	\$ 71,351
Liabilities	
Current liabilities	
Due to other funds	\$ 270,926
Unearned revenues	7,995
Total current liabilities	278,921
Noncurrent liabilities	
Net pension liability	342,000
OPEB liabilities	28,247
Total noncurrent liabilities	370,247
Total liabilities	\$ 649,168
Deferred Inflows of Resources	
Deferred amounts on pension liability	\$ 5,000
Deferred amounts on OPEB liabilities	9,862
Total deferred inflows of resources	\$ 14,862
Net Position (Deficit)	
Net investment in capital assets	\$ 2,207
Unrestricted (deficit)	(383,030)
Total net deficit	\$ (380,823)

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUND - FOOD SERVICE Year Ended June 30, 2024

	Food Service Fund
Operating Revenues	
Food service revenue	\$ 129,207
Operating Expenses	
Salaries	168,590
Employee benefits	92,597
Repairs and maintenance	1,355
Food and milk	162,895
Supplies	8,975
Depreciation	817
Total operating expenses	<u>435,229</u>
Operating loss	(306,022)
Nonoperating Revenues	
Investment earnings	15,452
State sources	40,973
Federal sources	148,483
Federal sources - donated commodities	23,183
Total nonoperating revenues	<u>228,091</u>
Changes in net position	(77,931)
Net Position	
July 1, 2023	(302,892)
June 30, 2024	<u>\$ (380,823)</u>

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUND - FOOD SERVICE

Year Ended June 30, 2024

	Food Service Fund
Cash Flows From Operating Activities	
Cash received from users	\$ 127,830
Cash payments to employees for services	(39,373)
Cash payments to suppliers for goods and services	(140,953)
Net cash used in operating activities	(52,496)
Cash Flows From Non-Capital Financing Activities	
State sources	40,218
Federal sources	137,231
Net cash provided by non-capital financing activities	177,449
Cash Flows From Investing Activities	
Investment earnings	15,452
Purchase of investments	7,168
Net cash provided by investing activities	22,620
Increase in cash and cash equivalents	147,573
Cash and Cash Equivalents:	
July 1, 2023	23,798
June 30, 2024	<u>\$ 171,371</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities	
Operating loss	\$ (306,022)
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation	817
Value of donated commodities	23,183
(Increase) decrease in:	
Inventories	(5,465)
Deferred outflow of resources	(6,291)
(Decrease) increase in:	
Accounts payable	(649)
Due to other funds	239,220
Unearned revenues	(1,377)
Net pension liability	7,000
OPEB liabilities	28
Deferred inflow of resources	(2,940)
Net cash used in operating activities	\$ (52,496)
Supplemental Disclosure	
Noncash non-capital financing activity	
Receipt of USDA donated commodities	<u>\$ 23,183</u>

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2024

	Custodial Fund
Assets	
Cash and cash equivalents	\$ 482,757
Receivable	8,769
Total assets	<u>491,526</u>
Liabilities	
Accounts payable	\$ 1,029
Due to other funds	329,068
Total liabilities	<u>330,097</u>
Net Position	
Restricted for student activities	\$ 160,222
Unassigned	1,207
	<u>161,429</u>
Total liabilities and net position	<u><u>\$ 491,526</u></u>

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended June 30, 2024

	Custodial Fund
Additions	
Contributions and fundraising	\$ 246,340
Interest	9,406
Total additions	255,746
Deductions	
Student group expenses	234,107
Total deductions	234,107
Change in net position	21,639
Net Position - July 1, 2023	139,790
Net Position - June 30, 2024	<u><u>\$ 161,429</u></u>

See Notes to Financial Statements.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Camp Hill School District (the District), located in Cumberland County, Pennsylvania, provides a full range of educational services appropriate to grade levels kindergarten through 12 to students living in Camp Hill Borough. These include regular, advanced academic, vocational education programs, and special education programs for gifted and handicapped children. The governing body of the District is a board of nine school directors who are each elected for a four-year term. The daily operation and management of the District is carried out by the administrative staff of the District, headed by the Superintendent of Schools who is appointed by the Board of School Directors. The District is comprised of two elementary schools, one middle school, and one high school, and serves approximately 1,088 students.

The accounting policies of Camp Hill School District conform with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

A. Reporting Entity

Camp Hill School District's financial statements include the operations of all entities for which the School Board exercises oversight responsibility. Oversight responsibility is demonstrated by financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

Camp Hill School District is the lowest level of government which has oversight responsibility and control over all activities related to public school education in the Commonwealth of Pennsylvania. The District receives funding from local, state and Federal government sources and must comply with the requirements of these sources. However, the District is not included in any other governmental "reporting entity" since the School Board members are elected by the public and have decision making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. Additionally, the District does not exercise oversight responsibility over any other entities, and consequently, no other entities have been included in the accompanying financial statements.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

B. Joint Ventures

The District is a participant in five joint venture organizations, each of which is a separate legal entity that offers services to the District and its residents. Each of these entities serves several Districts and/or municipalities and therefore are not included in this reporting entity. These entities do not have taxing power, but are required to adopt an annual budget, which is funded primarily by its member Districts or others that use its services. Complete financial statements for these entities can be obtained from the respective entity's administrative office.

The District participates with five other Cumberland and Perry County School Districts in the claims servicing pool of the South-Central Trust. The District appoints one Trustee to the Board of Trustees. The South-Central Trust provides claims administration services, purchases excess loss insurance, and offers other employee benefit related services to the District. In addition, there is a level of cross-sharing of risk between the trust members that participate in the claims servicing pool.

Cumberland County Tax Bureau provides earned income tax and local service tax collection services. The amount paid for these services for the year ended June 30, 2024, was approximately \$95,100.

Capital Area Intermediate Unit provides special education services and programs. The amount paid for these services for the year ended June 30, 2024, was approximately \$448,700.

Cumberland Perry Area Vocational Technical School provides vocational and technical education services and programs. The amount paid for these services for the year ended June 30, 2024, was approximately \$150,800.

Harrisburg Area Community College provides community college education services and programs. The amount paid for these services for the year ended June 30, 2024, was approximately \$74,300.

C. Basis of Presentation - Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprising each fund's assets, liabilities, deferred outflows and inflows of resources, fund equity, revenues, and expenditures/expenses. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

D. Basis of Presentation - Government-Wide Financial Statements

Government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

Government-wide financial statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Real estate taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets and deferred outflows of resources less total liabilities and deferred inflows of resources) is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation and amortization are charged as an expense against current operations. Capital assets (net of accumulated depreciation), bonds and notes payable (net of unamortized discounts or premiums), net OPEB liability and net pension liability are presented in the Statement of Net Position.

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

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Basis of Presentation - Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred outflows and inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Basis of Presentation - Fund Financial Statements (Continued)

The District reports the following major governmental funds:

General Fund - The general fund is the principal operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund - The capital projects fund is used to account for financial resources that are committed or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

Special Revenue Fund - The District accounts for assets held by the District in a custodial capacity in a special revenue fund due to administrative involvement. This fund accounts for the receipts and disbursement of monies contributed to the District for scholarships.

The District reports the following proprietary funds:

Food Service Fund - This major fund accounts for the revenues, food purchases, and other costs and expenses of providing meals to students during the school year.

The District reports the following fiduciary funds:

Custodial Fund - The custodial fund is used to account for assets held by the District as an agent for others. Custodial funds are custodial in nature and have no administrative involvement. This fund includes the student activities fund.

F. Budgetary Accounting and Encumbrances

An operating budget is adopted prior to the beginning of each year on a modified accrual basis of accounting. The general fund is the only fund for which a budget is legally required.

The Pennsylvania School Code dictates specific procedures relative to budget adoption and financial statement presentation. The District, before levying annual school taxes, is required to prepare an operating budget for the succeeding fiscal year. This process includes the publishing of notices by advertisement, that the proposed budget has been prepared and is available for public inspection at the administrative office of the District, and that public hearings are held on the proposed operating budget which are required to be scheduled at least ten days prior to when final action on adoption is taken by the Board.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Budgetary Accounting and Encumbrances (Continued)

Legal budgetary control is maintained at the sub-function/major object level. The Board may approve transfers of funds appropriated to any particular item of expenditure in accordance with the Pennsylvania School Code. Management may amend the budget at the sub-function/sub-object level without Board approval, provided it is not at a higher level than the Board adopted budget.

In order to preserve a portion of an appropriation for which an expenditure has been committed by a purchase order, contract or other form of commitment, an encumbrance is recognized. Unused encumbrances expire at the end of each year.

Included in the budget are program budgets as prescribed by the federal and state agencies funding the program. These budgets are approved on a program-by-program basis by the federal and state funding agencies. These programs frequently result in supplementary budget appropriations.

G. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

Cash and Cash Equivalents: Cash and cash equivalents include amounts in demand and interest-bearing bank deposits and in money market accounts. They are carried at cost plus accrued interest, which approximates fair value.

Investments: Investments are stated at fair value or at amortized costs, depending on the investment type, consistent with generally accepted accounting principles.

Taxes Receivable and Deferred Inflows of Tax Revenues: The portion of delinquent real estate taxes receivable that is expected to be received within 60 days of June 30 is recorded as revenue in the current year. The remaining amount of those and other taxes receivable is recorded as deferred inflows of resources.

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

Inventories: On the government-wide financial statements, inventories are presented at the lower of cost or market on a first in/first-out (FIFO) basis and are expensed when used.

Inventories in the Food Service Fund represent the cost using the first-in/first-out (FIFO) method of food and supplies on hand at June 30, 2024, including the value of commodities donated by the federal government.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Prepaid Expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items (consumption method) in both the government-wide and fund financial statements.

Capital Assets: The District's property, plant, and equipment with useful lives of more than one year are stated at historical cost (or estimated historical cost) and comprehensively reported in the government-wide financial statements. Proprietary fund capital assets are also reported in their fund financial statements. Donated assets are stated at fair value on the date donated. The District generally capitalizes assets with a cost of \$2,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded in operations. Estimated historical costs of capital assets were derived, when information supporting historical costs was not obtainable, by adjusting current replacement cost back to the estimated year of acquisition. Estimated useful lives, in years, for depreciable assets are generally as follows:

Assets	Years
School Buildings	40 years
Building Improvements	20 - 30 years
Land improvements	15 - 20 years
Furniture	15 - 20 years
Equipment	5 - 20 years
Vehicles	8 years
Computer Equipment	5 years
Library books	7 years

Deferred Outflows of Resources - Pensions and Other Post-Employment Benefits: The District recognizes deferred outflows of resources, which represent a consumption of net assets that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time. The District has identified these items in subsequent notes to the financial statements.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Long-Term Liabilities: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. They are recategorized as gain on bond refinancing in the event that debt is refinanced. Amortization continues over the life of the new or refinanced debt, whichever is shorter.

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 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.

Leases: The District enters into non-cancellable arrangements for leasing of equipment and land. Leases that are significant, either individually or in the aggregate, are recognized as a liability and a right-to-use asset in the government-wide financial statements.

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

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) contract term, and (3) contract payments. The District uses the interest rate charged by the lessor as the discount rate, if provided. When the interest rate charged is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The term includes the non-cancellable period of the lease. Payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

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

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Unearned Revenues: Revenues that are received but not earned are reported as unearned revenue in the government-wide and fund financial statements. Unearned revenues arise when resources are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has legal claim to the resources, the liability for unearned revenue is removed from the respective financial statements and revenue is recognized.

Compensated Absences: The District accrues unused sick leave as a liability as the benefits are earned by the employees if it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee's wage rates at year end, taking into consideration any limits specified in the District's severance policy. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected.

Payments for compensated absences are contributed into either a 403(b) plan as a non-elective employer contribution or other appropriate tax-sheltered account.

Pensions: Substantially all full-time and qualifying part-time employees of the District participate in a cost-sharing multiple-employer defined benefit and defined contribution pension plan. 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 Public-School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Other Post-employment Benefits (OPEB):

Single Employer Defined-Benefit OPEB Plan: The District sponsors a single-employer defined benefit OPEB plan. For purposes of measuring the total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. The single-employer OPEB plan is unfunded.

Cost-Sharing Multiple Employer Defined-Benefit Plan: The District participates in the PSERS Health Insurance Premium Assistance Program. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of PSERS and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The balance of the District's OPEB liabilities and related deferred outflows/inflows of resources at June 30, 2024, are as follows:

	Governmental Activities	Business-Type Activities	Total
OPEB Liabilities			
District's Single Employer Plan	\$ 935,558	\$ 14,247	\$ 949,805
PSERS Cost-Sharing Plan	1,379,000	14,000	1,393,000
Total	<u>\$ 2,314,558</u>	<u>\$ 28,247</u>	<u>\$ 2,342,805</u>
Deferred Outflows of Resources			
District's Single Employer Plan	\$ 233,199	\$ 3,551	\$ 236,750
PSERS Cost-Sharing Plan	277,200	2,800	280,000
Total	<u>\$ 510,399</u>	<u>\$ 6,351</u>	<u>\$ 516,750</u>
Deferred Inflows of Resources			
District's Single Employer Plan	\$ 463,750	\$ 7,062	\$ 470,812
PSERS Cost-Sharing Plan	275,200	2,800	278,000
Total	<u>\$ 738,950</u>	<u>\$ 9,862</u>	<u>\$ 748,812</u>

Additional disclosures related to other post-employment benefits of the District's Single Employer Plan and PSERS Cost-Sharing Plan can be found in subsequent notes to the financial statements.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Deferred Inflows of Resources - Pension and Other Post-Employment Benefits: The District recognizes deferred inflows of resources, which represent an acquisition of net assets that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. The District has identified these items in subsequent notes to the financial statements.

Fund Balance Classification: Fund balance for the governmental funds can be classified into five different categories: non-spendable, restricted, committed, assigned, or unassigned.

Non-spendable fund balance includes amounts that are not in a spendable form or required to be maintained intact.

Restricted fund balance includes amounts that can be spent only for specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Restrictions may be changed only with the consent of the resource providers.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the School Board. Commitments may be changed only by the government taking the same formal action that imposed the constraint originally.

Assigned fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the business manager. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in other classifications. Unassigned amounts are available for any purpose.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

The District considers committed and assigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in committed, assigned, and unassigned fund balance classifications could be used. In the case of a deficit, committed and assigned funds would be used before unassigned funds. If there is no deficit, the District typically uses unassigned funds before committed or assigned funds.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

H. New Accounting Pronouncements

The following list reflects only those pronouncements initially effective in the current or upcoming reporting periods which based on our review, may be applicable to the District's reporting requirements.

Following are descriptions of significant pronouncements that were considered or initially selected during the year ended June 30, 2024:

GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections in previously issued financial statements.

The following are descriptions of accounting pronouncements which will be considered for implementation during subsequent fiscal years:

GASB Statement No. 101, *Compensated Absences*, will be effective for the District beginning with its year ending June 30, 2025, (fiscal years beginning after December 15, 2023). This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements.

GASB Statement No. 102, *Certain Risk Disclosures*, will be effective for the District beginning with its year ending June 30, 2025 (fiscal year beginning after June 15, 2024). This Statement establishes financial reporting requirements to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective for the District beginning with its year ending June 30, 2026 (fiscal years beginning after June 15, 2025). This Statement improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement addresses requirements relating to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position, major component unit information and budgetary comparison information.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective for the District beginning with its year ending June 30, 2026 (fiscal years beginning after June 15, 2025). This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Lease assets, subscription assets, intangible right-to-use assets and intangible assets should be disclosed separately by major class of underlying asset within the note disclosures. This Statement also requires additional disclosures for capital assets held for sale.

The effects of implementation of these standards have not yet been determined.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

I. Other

Use of 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 statements and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events: In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through January 21, 2025, the date the financial statements were available to be issued. There were no subsequent events identified.

Note 2. Deposits and Investments

Under Section 440.1 of the Public School Code of 1949, as amended, the District is permitted to invest its monies as follows:

- U.S. Treasury Bills
- Short-term obligations of the U.S. Government or its agencies or its instrumentalities
- Deposits in savings accounts or time deposits or share accounts of institutions insured by:
 - The Federal Deposit Insurance Corporation (FDIC), or
 - The Federal Savings and Loan Insurance Corporation (FSLIC), or
 - The National Credit Union Share Insurance Fund (NCUSIF) to the extent that such accounts are so insured, and for any amounts above maximum insurable limits, provided that approved collateral as provided by law shall be pledged by the depository
- Obligations of (a) the United States of America or its agencies or instrumentalities backed by the full-faith and credit of the United States of American, and (b) the Commonwealth of Pennsylvania, or instrumentalities thereof, backed by the full-faith and credit of these political subdivisions
- Shares of investment companies whose investments are restricted to the above categories

The deposit and investment policy of the District adheres to state statutes. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the District.

The District has \$75,951 in restricted cash received from the Lion Foundation. These funds can only be used for costs and expenses related to the operation and maintenance of the Pollock Performing Arts Center.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Deposits: Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. A summary of the District's deposits at June 30, 2024, are shown below:

	Carrying Amount	Bank Balance	Financial Institution
Insured (FDIC)	\$ 250,000	\$ 250,000	First Commonwealth Bank
Uninsured, collateralized in accordance with Act 72	1,864,368	2,355,778	
	<u>\$ 2,114,368</u>	<u>\$ 2,605,778</u>	

Act 72 of 1971, as amended, is an act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuations of assets eligible to be used as collateral for deposits of public funds; permitting assets to be pledged against deposits on a pooled basis and authorizing the appointment of custodians to act as the pledgers of the assets.

Investments

At June 30, 2024, the District had the following investments:

	Credit Rating	Weighted Avg. Maturity in Years	Carrying Value
Pennsylvania School District Liquid Asset Fund (PSDLAF)			
PSDMAX	AAAm	0.142	\$ 11,163,688
Pennsylvania Treasurer's Invest Program (INVEST)			
PA INVEST Daily	AAAm	0.112	12
			<u>\$ 11,163,700</u>

Certain external pool investments held by the District, based on portfolio maturity, quality, diversification and liquidity measures, qualify for measurement at amortized cost at both the pool and the participating government levels consistent with GASB Statement No. 79. The District measures those investments, which include PSDMAX, at amortized cost.

The PSDMAX fund invests in U.S. treasury securities, U.S. government securities, its agencies and instrumentalities and repurchase agreements, collateralized by such securities and contracted with highly rated counterparties. Weighted-average portfolio maturity for the fund is expected to be kept at or below 60 days. PSDMAX does not have limitations or restrictions on withdrawals. These investments qualify for measurement at amortized cost at both the pool and the participating government levels consistent with GASB Statement No. 79.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Investments (Continued)

The INVEST Daily Fund is administered by the Pennsylvania Treasury Department. The funds are invested by INVEST directly in a portfolio of securities which is held by a third-party custodian. INVEST pools are invested in high-quality, short-term securities denominated in U.S. dollars. These investments general consist of: (1) direct obligations issued by, or obligations that are fully guaranteed as to principal and interest by, the U.S. government, its agencies or instrumentalities; (2) repurchase agreements backed by such securities; (3) certificates of deposit; and (4) other money-market funds with AAAM ratings. INVEST is acting in a fiduciary capacity for the District and recognizes the District as the pledgee of the collateral securities, these deposits are considered to be held by the agent in the District's name. Weighted-average portfolio maturity for the fund is expected to be kept at or below 60 days. These investments qualify for measurement at amortized cost at both the pool and the participating government levels consistent with GASB Statement No. 79.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Presently, the investments currently held by the District are valued at amortized cost and are not subject to the fair value categorization disclosures.

Weighted-Average Maturity

The weighted-average maturity (WAM) method expresses investment time horizons - the time when investments become due and payable - in years or months, weighted to reflect the dollar-size of individual investments within an investment type. In this illustration, WAMs are computed for each investment type. The portfolio's WAM is derived by dollar-weighting the WAM for each investment type.

Interest Rate Risk

The District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk

The District places no limit on the amount they may invest in any one issuer. At June 30, 2024, the District does not have any concentration of credit risk in its investments.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The District has no investments which are subject to custodial credit risk at June 30, 2024.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 3. Real Estate Taxes

Based upon assessments provided by the County, the Camp Hill Borough tax collector bills, collects and remits property taxes to the District. The District tax rate for the year ended June 30, 2024, was 18.6786 mills as levied by the Board of School Directors. The schedule for real estate taxes levied for the fiscal year ended June 30, 2024, follows:

July 1	Levy Date
July 1 - August 31	2% Discount Period
September 1 - October 31	Face payment period
November 1 - December 31	10% Penalty Period
January 1	Lien Date (Cumberland County Tax Claim Bureau)

Note 4. Taxes Receivable and Deferred Taxes

The District, in accordance with accounting principles generally accepted in the United States of America, recognizes delinquent and unpaid taxes receivable. All taxes are determined to be collectible. A portion of the receivable amount which was measurable and available within 60 days was recognized as revenue and the balance deferred in the fund financial statements. The balances at June 30, 2024, are as follows:

	Gross Taxes Receivable	Allowance for Uncollectibles	Net Taxes Receivable	Deferred Taxes
Real Estate Taxes	\$ 184,181	\$ -	\$ 184,181	\$ 142,751
Personal Taxes	57,424	28,712	28,712	28,712
Realty Transfer Taxes	23,996	-	23,996	-
Earned Income and Local Services Taxes	807,355	-	807,355	-
	<u>\$ 1,072,956</u>	<u>\$ 28,712</u>	<u>\$ 1,044,244</u>	<u>\$ 171,463</u>

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 5. Interfund Accounts

Interfund transfers for the year ended June 30, 2024, are as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,000,000
Capital Projects Funds	1,000,000	-
	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

Individual fund receivable and payable balances at June 30, 2024, are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 604,768	\$ 860,618
Capital Projects Funds	860,618	-
Special Revenue Fund	-	4,774
Food Service Fund	-	270,926
Custodial Fund	-	329,068
	<u>\$ 1,465,386</u>	<u>\$ 1,465,386</u>

Note 6. Due from Other Governments

Amounts due from other governments represent receivables for revenues earned by the District. At June 30, 2024, the following amounts are due from other governmental units:

	Governmental Activities	Business-Type Activities
Federal sources	\$ 109,204	\$ 28,480
State sources	1,062,336	1,534
Local sources	163,785	-
	<u>\$ 1,335,325</u>	<u>\$ 30,014</u>

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets

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

	July 1, 2023	Additions	Deletions	June 30, 2024
Governmental Activities:				
Capital assets not being depreciated/amortized:				
Land	\$ 997,842	\$ -	\$ -	\$ 997,842
Total capital assets not being depreciated/amortized	997,842	-	-	997,842
Capital assets being depreciated/amortized				
Land improvements	4,150,988	86,849	-	4,237,837
Buildings and improvements	58,192,707	308,684	-	58,501,391
Furniture and equipment	2,654,740	54,881	-	2,709,621
Library books	868,652	-	-	868,652
Technology equipment	4,143,012	95,647	-	4,238,659
Right-to-use leased equipment	1,440,498	-	-	1,440,498
Total capital assets being depreciated/amortized	71,450,597	546,061	-	71,996,658
Accumulated depreciation/amortization				
Land improvements	2,664,299	203,647	-	2,867,946
Buildings and improvements	17,098,375	1,624,272	-	18,722,647
Furniture and equipment	1,858,170	89,249	-	1,947,419
Library books	868,652	-	-	868,652
Technology equipment	3,034,999	435,976	-	3,470,975
Right-to-use leased equipment	131,136	65,568	-	196,704
Total accumulated depreciation and amortization	25,655,631	2,418,712	-	28,074,343
Total capital assets being depreciated/amortized - net	45,794,966	(1,872,651)	-	43,922,315
Total governmental activities, capital assets - net	\$ 46,792,808	\$ (1,872,651)	\$ -	\$ 44,920,157

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets (Continued)

Capital asset for business-type activities for the year ended June 30, 2024, was as follows:

	July 1, 2023	Additions	Deletions	June 30, 2024
Business-Type Activities:				
Capital assets being depreciated				
Equipment	\$ 160,004	\$ -	\$ -	\$ 160,004
Accumulated depreciation:				
Equipment	156,980	817	-	157,797
Total business-type activities, capital assets - net	\$ 3,024	\$ (817)	\$ -	\$ 2,207

Depreciation and amortization expenses were charged to functions/programs of the primary government as follows:

	Amount
Governmental Activities:	
Instruction	\$ 1,548,427
Instructional student support	294,373
Administration and financial support services	282,440
Operation and maintenance of plant services	124,823
Student activities	110,181
Total governmental activities	2,360,244
Business-Type Activities	
Food service	817
Total District	\$ 2,361,061

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Accrued Salaries and Benefits

At June 30, 2024, the District was liable for \$1,996,856 of payroll and benefits, payable during July and August 2024, to those employees who have a ten-month contract but are paid over a twelve-month period, to non-salaried employees who performed services through June 30, 2024, and to retiring professional employees who are receiving a payout of their accumulated compensated absences and service stipends.

Note 9. Unearned Revenues

Unearned revenues consist of student lunches of \$7,995 as of June 30, 2024.

Note 10. Long-Term Debt

General Obligation Debt

The District issues general obligation bonds to provide funds for major capital improvements. These bonds are direct obligations and pledge the full faith and credit of the District. Currently, the District has general obligation debt with interest rates and outstanding principal amounts at June 30, 2024, as follows:

Issue	Final Maturity	Interest Rates	Outstanding June 30, 2024	Principal Balance Due Within One Year
Series of 2019	Nov 2041	2.00% - 4.00%	\$ 9,465,000	\$ 75,000
Series of 2020	Nov 2031	2.00% - 5.00%	9,420,000	70,000
Series A of 2020	Nov 2041	1.05% - 5.00%	8,955,000	75,000
Series of 2021*	Nov 2025	0.83%	1,189,000	1,154,000
			<u>\$ 29,029,000</u>	<u>\$ 1,374,000</u>

* Direct Borrowing Note

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Long-Term Debt (Continued)

General Obligation Debt (Continued)

Long-term obligation activity is as follows:

	Balances			Balances	
	July 1, 2023	Increases	Decreases	June 30, 2024	Due within one year
General Obligation Debt					
Series of 2019	\$ 9,540,000	\$ -	\$ 75,000	\$ 9,465,000	\$ 75,000
Series of 2020	9,485,000	-	65,000	9,420,000	70,000
Series A of 2020	9,030,000	-	75,000	8,955,000	75,000
Series of 2021*	2,330,000	-	1,141,000	1,189,000	1,154,000
Bond Premiums	958,233	-	97,615	860,618	-
Total General Obligation Debt	31,343,233	-	1,453,615	29,889,618	1,374,000
Lease payable	1,318,265	-	49,269	1,268,996	50,694
Compensated absences	375,743	-	42,116	333,627	-
Totals	\$ 33,037,241	\$ -	\$ 1,545,000	\$ 31,492,241	\$ 1,424,694

* Direct Borrowing Note

Annual debt service requirements to maturity for the above governmental general debt obligations are as follows:

Year	Bonds		Direct Borrowings	
	Principal	Interest	Principal	Interest
2025	\$ 220,000	\$ 828,150	\$ 1,154,000	\$ 5,080
2026	1,345,000	798,100	35,000	145
2027	1,420,000	757,575	-	-
2028	1,450,000	727,613	-	-
2029	1,485,000	697,100	-	-
2030-2034	7,655,000	2,981,800	-	-
2035-2039	8,440,000	1,788,275	-	-
2040-2042	5,825,000	313,325	-	-
	\$27,840,000	\$ 8,891,938	\$ 1,189,000	\$ 5,225

The amount of interest cost, on general debt obligations, incurred was \$851,379 for the year ended June 30, 2024, all of which was charged to expense.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Long-Term Debt (Continued)

Leases

The District leases equipment for certain District offices and buildings, as well as land. These terms range from five to thirty years.

The District's leases contain scheduled monthly payments with expiration dates extending through 2045. Leases are primarily funded 100% by the general fund.

The following is a schedule of future minimum lease payments for leases with initial or remaining terms in excess of one year as of June 30, 2024:

	Principal	Interest	Total
2025	\$ 50,695	\$ 38,361	\$ 89,056
2026	52,163	36,893	89,056
2027	48,032	35,419	83,451
2028	47,573	34,008	81,581
2029	49,021	32,561	81,582
2030-2034	268,398	139,513	407,911
2035-2039	311,776	96,136	407,912
2040-2044	362,164	45,747	407,911
2045	79,174	2,408	81,582
	<u>\$ 1,268,996</u>	<u>\$ 461,046</u>	<u>\$ 1,730,042</u>

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Risk Management

Health Insurance

The District is a member of South-Central Trust (Trust) Risk-Sharing Pool (RSP), a risk-sharing public entity risk pool, through which it provides for certain health and welfare benefits of its covered employees. The Trust was organized in 1995 to formulate and administer insurance programs, obtain lower costs for coverage, and develop loss control programs for member Districts. The Trust's RSP is governed by a board of trustees, to which the District may appoint a maximum of four trustees. The District's required deposits to the Trust are determined annually based 75% on the RSP's experience and 25% on the District's experience. Contributions are payable to the Trust monthly. The Trust purchases stop loss insurance to mitigate catastrophic losses.

The Trust's RSP has a policy to maintain reserves equal to four to six months of expected expenses. Reserve surpluses are resolved by reducing contributions rates over a three-year period; reserve deficits are resolved by increasing contribution rates based on a method approved by the trustees.

Upon withdrawal from the Trust, the District is entitled to its proportionate share of any surplus, or obligated for its proportionate share of any deficit, subject to vesting provision, based upon a formula in the RSP bylaws. The District has accounted for its estimated proportionate share of the RSP surplus as a capitalization contribution of \$1,884,389 at June 30, 2024, and included the amount in its non-spendable fund balance. At June 30, 2024, the District is not aware of any additional assessments from the Trust's RSP.

Other Insurance

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Other Risks

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The District has purchased various insurance policies to safeguard its assets from risk of loss. During the year ended June 30, 2024, and the two previous fiscal years, no settlements exceeded insurance coverage.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Defined-Benefit Pension Plan

Plan Description

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

Benefits Provided

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

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

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

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

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

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Defined-Benefit Pension Plan (Continued)

Contributions

Member Contributions:

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

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

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

Employer Contributions:

The District's contractually required contribution rate for the fiscal year ended June 30, 2024, was 33.36% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Included in the District's contractually required contribution rate is the Act 5 contribution rate totaling an estimated 0.27%.

The District is required to pay the entire contribution and will be reimbursed by the Commonwealth in an amount equal to the Commonwealth's share as determined by the income aid ratio (as defined in Act 29 of 1994), which is at least one-half of the total District's rate. The District's contributions to the Plan, relating to pension benefits, for the year ended June 30, 2024, was \$4,087,000 and is equal to the required contribution for the year. For the year ended June 30, 2024, the District recognized gross retirement subsidy revenue from the Commonwealth in the amount of \$2,126,927.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Defined-Benefit Pension Plan (Continued)

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

At June 30, 2024, the District reported a liability of \$34,210,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2022 to June 30, 2023. The District's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2024, the District's reported proportion was 0.0769%, which was an increase of 0.0016% from its proportion reported as of June 30, 2023.

For the year ended June 30, 2024 the District recognized pension expense of \$3,826,000. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,000	\$ 468,000
Changes in assumptions	510,000	-
Net difference between projected and actual investment earnings	968,000	-
Changes in proportions	937,000	-
Contributions subsequent to the measurement date	4,087,000	-
	<u>\$ 6,510,000</u>	<u>\$ 468,000</u>

\$4,087,000 is reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	Amount
2025	\$ 750,000
2026	(323,000)
2027	1,205,000
2028	323,000
	<u>\$ 1,955,000</u>

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Defined-Benefit Pension Plan (Continued)

Actuarial Assumptions

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

- Valuation Date - June 30, 2022
- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 7.00%, includes inflation at 2.50%.
- Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- The discount rate used to measure the Total Pension Liability was 7.00% as of June 30, 2022 and as of June 30, 2023.
- Demographic and economic assumptions approved by the Board for use effective with the June 30, 2021 actuarial valuation:
 - Salary growth rate - decreased from 5.00% to 4.50%.
 - Real wage growth and merit or seniority increases (components for salary growth) - decreased from 2.75% and 2.25% to 2.50% and 2.00%, respectively.
 - Mortality rates - Previously based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale. Effective with the June 30, 2021 actuarial valuation, mortality rates are based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.

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

Investments

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

For the year ended June 30, 2023, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.54%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Defined-Benefit Pension Plan (Continued)

Investments (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	30.0%	5.20%
Private equity	12.0%	7.90%
Fixed income	33.0%	3.20%
Commodities	7.5%	2.7%
Infrastructure/MLPs	10.0%	5.4%
Real estate	11.0%	5.7%
Absolute return	4.0%	4.1%
Cash	3.0%	1.2%
Leverage	-10.5%	1.2%
	<u>100.0%</u>	

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Defined-Benefit Pension Plan (Continued)

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

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	\$ 44,346,000	\$ 34,210,000	\$ 25,659,000

Pension Plan Fiduciary Net Position

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

Plan Payables

At June 30, 2024, the District reported a payable to PSERS of \$1,453,229, which represents the employer contributions owed to the pension plan.

Note 13. Other Post-Employment Benefits - District's Single Employer Plan

Plan Description, Benefits Provided and Funding Policy

The District maintains a single employer defined benefit OPEB plan to provide postemployment health care benefits. The Board of School Directors is authorized to establish and amend the financing requirements and benefits, subject to collective bargaining for certain classes of employees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue stand-alone financial statements. The plan description and benefit terms provided by the plan are summarized in the chart below:

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Plan Description, Benefits Provided and Funding Policy (Continued)

GROUP	ELIGIBILITY	COVERAGE AND PREMIUM SHARING	DURATION
I. ADMINISTRATORS	<p>i) Must have at least 25 years of district service.</p> <p>ii) Must be eligible for PSERS retirement</p>	<p>Coverage: Medical and Prescription Drug</p> <p>Premium Sharing: If a member has at least 25 years of district service and is eligible for PSERS retirement, district contributions are based on the member's service at retirement.</p> <p>District pays annual contribution amount for a period of years based on a table. Member must pay any remainder in premium. If period of District contributions ends before the member reaches Medicare eligibility age, member can continue coverage by paying the full premium. In no case will the member be able to continue benefits after member reaches Medicare eligibility age.</p> <p>If the member does not meet the requirements for the District subsidy but is eligible for PSERS retirement, the member and spouse may continue coverage by paying the full premium as determined for the purpose of COBRA.</p> <p>Dependents: Spouses and family included</p>	<p>Member is covered until age 65.</p> <p>Spouse is covered until Member reaches age 65.</p>
II. TEACHERS	Same as I	Same as I - One retired teacher received two additional years of subsidized coverage.	Same as I
III. SUPPORT STAFF	Act 110/43	<p>Coverage: Medical and Prescription Drug</p> <p>Premium Sharing: Member pays full premium</p> <p>Dependents: Spouse and family included</p>	Same as I
<p>Notes: Act 110/43 Eligibility: All employees are eligible for this benefit upon retirement with 30 years of PSERS service or upon superannuation retirement.</p> <p>PSERS Retirement:</p> <p>1) Pension Class T-C or T-D: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 62 with 5 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 60 with 30 years of PSERS service, age 62 with 1 year of PSERS service of 35 years of PSERS service regardless of age. In general, these pension classes apply to individuals who were members of PSERS prior to July 1, 2011.</p> <p>2) Pension Class T-E or T-F: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 65 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 65 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 92 with a minimum of 35 years of PSERS service. In general, these pension classes apply to individuals who became members of PSERS on or after July 1, 2011 and prior to July 1, 2019.</p> <p>3) Pension Class T-G: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 97 with a minimum of 35 years of PSERS service. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.</p> <p>4) Pension Class T-H: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.</p> <p>5) All individuals except those in Pension Class T-G are eligible for a special early retirement upon reaching age 55 with 25 years of PSERS service. Individuals in Pension Class T-G are eligible for a special early retirement upon reaching age 57 with 25 years of PSERS service.</p> <p>Coordination with Medicare: Medicare pays primary.</p> <p>Sick leave cashouts at retirement do not constitute a GASB 75 liability and should not be accounted for under the provisions of GASB Statement No. 16.</p>			

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - District's Single Employment Plan (Continued)

Plan Description, Benefits Provided and Funding Policy (Continued)

Employees Covered by the Benefit Terms

As of the July 1, 2023 actuarial valuation, the following participants were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	7
Inactive Employees Entitled to but not yet Receiveign Benefits	-
Active Employees	169
	<u>176</u>

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

At June 30, 2024, the District reported a liability of \$949,805 for the total OPEB liability. The total liability was measured as of July 1, 2023, and was determined by an actuarial valuation as of July 1, 2022.

The OPEB liability is composed of the following:

	Amount
Total OPEB Liability, beginning	<u>\$ 947,950</u>
Changes for the year	
Service cost	70,587
Interest	40,549
Changes of benefit terms	-
Differences between expected and actual experience	(147,784)
Changes in assumptions	75,058
Benefit payments	<u>(36,555)</u>
Net Changes	<u>1,855</u>
Total OPEB Liability, ending	<u><u>\$ 949,805</u></u>

For the year ended June 30, 2024, the District recognized OPEB expense of \$87,938. At June 30, 2024, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 23,756	\$ 157,365
Changes in assumptions	164,839	313,447
Benefit payments subsequent to the measurement date	48,155	-
	<u>\$ 236,750</u>	<u>\$ 470,812</u>

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - District's Single Employment Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Of the total amounts reported as deferred outflows of resources related to OPEB, \$48,155 resulting from District benefit payments subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2025. Other amounts will be reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year ending June 30:	Total
2025	\$ (23,198)
2026	(23,198)
2027	(23,198)
2028	(23,198)
2029	(23,198)
Thereafter	(166,227)
	<u>\$ (282,217)</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2021, following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Inflation - 2.5%.
- Salary Increases - 2.5% cost of living adjustment, 1.5% real wage growth and for teachers and administrators a merit increase which varies by age from 2.75 to 0%.
- Discount Rate - 4.13%. Based on S&P Municipal Bond 20-year High Grade Rate Index at July 1, 2023.
- Health care cost trend rate - 7.0% in 2023 with 0.5% decrease per year until 5.5% in 2026. Rates gradually decrease from 5.4% in 2027 to 4.1% in 2075 and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.
- Retirees' Share of Benefit Related Costs - Retiree contributions are assumed to increase at the same rate as Health Care Cost Trend Rate.
- Mortality Rates: PubT-2010 headcount-weighted mortality table including rates for contingent survivors for teachers. PubG-2010 headcount-weighted mortality table including rates for contingent survivors for administrators and all other employees. Incorporated into the tables are rates projected generationally using Scale MP-2021 to reflect mortality improvement.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate

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

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
Total OPEB liability	\$ 1,015,034	\$ 949,805	\$ 888,223

The discount rate used to measure the Total OPEB liability increased from 4.06% as of July 1, 2022, to 4.13% as of July 1, 2023.

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District's single-employer plan, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1.0% lower or 1.0% higher than the current healthcare cost trend rates, these figures are estimated:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 862,194	\$ 949,805	\$ 1,051,567

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 14. Other Post-Employment Benefits - PSERS Cost-Sharing Plan

Plan Description

PSERS administers a defined benefit pension plan, and two post-employment healthcare programs, the Health Insurance Premium Assistance Program (Premium Assistance) and the Health Options Program (HOP) for its retirees. The HOP is a PSERS sponsored voluntary health insurance program for the sole benefit of PSERS retirees, spouses of retirees, and survivor annuitants and their dependents who participate in HOP. The HOP is funded exclusively by the premiums paid by its participants for the benefit coverage they elect.

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

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

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

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

- Attain Medicare eligibility with 24 ½ or more eligibility points, or
- Have 15 or more eligibility points and terminated after age 67, and
- Have received all or part of their distributions.

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program.

Employer Contributions

The Districts' contractually required contribution rate for the fiscal year ended June 30, 2024, was 0.64% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the District were \$78,000 for the year ended June 30, 2024.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 14. Other Post-Employment Benefits - PSERS Cost-Sharing Plan (Continued)

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

At June 30, 2024, the District reported a liability of \$1,393,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2022 to June 30, 2023. The District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2024, the District's reported proportion was 0.0770%, which was an increase of 0.00018% from its proportion reported as of June 30, 2023.

For the year ended June 30, 2024, the District recognized OPEB expense of \$99,100. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,000	\$ 14,000
Changes in assumptions	120,000	264,000
Net difference between projected and actual investment earnings	3,000	-
Changes in proportion	70,000	-
Contributions subsequent to the measurement date	78,000	-
	<u>\$ 280,000</u>	<u>\$ 278,000</u>

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 14. Other Post-Employment Benefits Provided - PSERS Cost-Sharing Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

\$78,000 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	Amount
2025	\$ (7,000)
2026	(16,000)
2027	(23,000)
2028	(32,000)
2029	2,000
Thereafter	-
	<u>\$ (76,000)</u>

Actuarial Assumptions

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

- Valuation Date - June 30, 2022
- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 4.13% - S&P 20 Year Municipal Bond Rate.
- Salary growth - Effective average of 4.5%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- Participation rate:
 - Eligible retirees will elect to participate Pre age 65 at 50%
 - Eligible retirees will elect to participate Post age 65 at 70%
- The discount rate used to measure the total OPEB liability increased from 4.09% as of June 30, 2022 to 4.13%, as of June 30, 2023.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2020.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 14. Other Post-Employment Benefits Provided - PSERS Cost-Sharing Plan (Continued)

Actuarial Assumptions (Continued)

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2021, determined the employer contribution rate for fiscal year 2023.
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method: Market Value.
- Participation rate: The actual data for retirees benefiting under the Plan as of June 30, 2021, was used in lieu of the 63% utilization assumption for eligible retirees.
- Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

Investments

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	100.0%	1.20%
	<u>100.0%</u>	

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

Discount Rate

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

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 14. Other Post-Employment Benefits - PSERS Cost-Sharing Plan (Continued)

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

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

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
District's proportionate share of the net OPEB liability	\$ 1,575,000	\$ 1,393,000	\$ 1,241,000

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

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates (between 5% to 7%) that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 1,393,000	\$ 1,393,000	\$ 1,393,000

OPEB Plan Fiduciary Net Position

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

Plan Payables

At June 30, 2024, the District reported a payable to PSERS of \$31,583, which represents the employer contributions owed to the OPEB plan.

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 15. Fund Balance Classifications

Non-spendable fund balance consists of amounts that cannot be spent, either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. At June 30, 2024, the District has included the following as non-spendable fund balance:

	Amount
General Fund	
Risk-sharing pool deposit	\$ 1,884,389

Restricted fund balance represents fund balances that can only be used for specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Restrictions may be changed only by the consent of the resource providers. At June 30, 2024, the District has included the following as restricted fund balance:

	Amount
General Fund	
Restricted for Lion Foundation	\$ 74,951
Special Revenue Fund	
Restricted for scholarships	57,225
	<u>\$ 132,176</u>

Committed fund balances represent fund balances that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. At June 30, 2024, the District has included the following as committed fund balance:

	Amount
General Fund	
Committed for curriculum and technology	\$ 1,000,000
Committed for band uniforms	17,010
Committed for athletics	18,311
	<u>\$ 1,035,321</u>

CAMP HILL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 15. Fund Balance Classifications (Continued)

Assigned fund balance comprises amounts intended to be used by the government for specific purposes determined by the governing body or by an official body to which the governing body delegates authority. At June 30, 2024, the District included the following as assigned fund balance:

	Amount
General Fund	
Assigned for CPCTC project	\$ 481,000
Assigned for instruction	500,000
Assigned for maintenance, infrastructure, and construction	7,175,375
Assigned for Giant food in security donations	44,584
Capital Projects Fund	
Assigned for capital projects	865,144
	<u>\$ 9,066,103</u>

Note 16. Commitments, Contingencies and Uncertainties

General

The District is involved in various claims and legal actions arising in the ordinary course of business. The outcome of these matters cannot be determined at this time.

Grant Programs

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

Collective Bargaining Agreement

The District has entered into a collective bargaining agreement with the Camp Hill Education Association. The agreement in effect is for the period of July 1, 2024 through June 30, 2027. The agreement stipulates the overall working conditions as well as the provisions for wages and employee benefits for the District's professional staff for the term of the contract.

REQUIRED SUPPLEMENTARY INFORMATION

CAMP HILL SCHOOL DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget - Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Local sources				
Real estate taxes	\$ 14,924,577	\$ 14,924,577	\$ 14,882,785	\$ (41,792)
Other taxes	5,754,000	5,754,000	5,757,450	3,450
Investment earnings	300,000	300,000	721,725	421,725
Other revenue	784,000	784,000	1,198,436	414,436
Total Local sources	21,762,577	21,762,577	22,560,396	797,819
State sources	6,234,870	6,234,870	6,276,073	41,203
Federal sources	423,000	423,000	560,038	137,038
Total revenues	28,420,447	28,420,447	29,396,507	976,060
Expenditures				
Instruction				
Regular programs	12,046,000	11,911,000	11,632,686	278,314
Special programs	4,418,000	4,553,000	4,466,792	86,208
Vocational programs	150,772	150,772	150,772	-
Other instructional programs	5,700	5,700	2,195	3,505
Other nonpublic school programs	-	-	5,987	(5,987)
Adult programs	62,000	62,000	77,913	(15,913)
Support services				
Pupil personnel	1,536,000	1,536,000	1,638,827	(102,827)
Instructional staff	1,371,500	1,371,500	1,620,933	(249,433)
Administrative services	2,240,000	2,240,000	2,200,882	39,118
Pupil health	284,850	284,850	280,721	4,129
Business services	481,778	481,778	482,599	(821)
Operation of plant and maintenance services	2,338,350	2,338,350	2,583,670	(245,320)
Student transportation services	100,000	100,000	239,001	(139,001)
Central and other business services	174,900	174,900	142,098	32,802
Noninstructional services				
Student activities	1,011,500	1,011,500	1,350,862	(339,362)
Community service	20,000	20,000	50,093	(30,093)
Debt Service	-	-		
Principal	1,356,000	1,356,000	1,363,068	(7,068)
Interest and other charges	851,379	851,379	852,564	(1,185)
Refund of prior year revenues	-	-	76,265	(76,265)
Total expenditures	28,448,729	28,448,729	29,217,928	(769,199)
(Deficiency) excess of revenues over expenditures	(28,282)	(28,282)	178,579	206,861
Other Financing Sources (Uses)				
Interfund transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
Budgetary reserve	(100,000)	(100,000)	-	100,000
Total other financing uses	(1,100,000)	(1,100,000)	(1,000,000)	100,000
Net changes in fund balance	\$ (1,128,282)	\$ (1,128,282)	(821,421)	\$ 306,861
Fund Balance - July 1, 2023			13,303,927	
Fund Balance - June 30, 2024			<u>\$ 12,482,506</u>	

See Notes to Required Supplementary Information.

CAMP HILL SCHOOL DISTRICT

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1. Budgets and Budgetary Accounting General Fund

Camp Hill School District follows the following procedures on establishing the budgetary data reflected in the supplementary information:

1. The Pennsylvania Department of Education (PDE) issues a schedule of actions for school districts for the development of the annual budget under Act 1. One deadline is the action to resolve to keep any tax increase in the real estate tax millage rate below the index announced by the PDE. Prior to that deadline, management submits to the School Board, for consideration, a draft operating budget projection or other information to review, for the fiscal year commencing the following July 1. The School Board determines if it will approve a resolution to keep any tax increase below the index.
2. If the School Board adopts the resolution, management submits prior to May 31 to the School Board a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the general fund.
3. A public hearing is conducted to obtain taxpayer comments.
4. If the School Board does not adopt the resolution, management prepares and submits a proposed operating budget for the fiscal year commencing the following July 1 in accordance with the deadlines established by PDE under Act 1. These deadlines will vary with the setting of the spring municipal election date each year.
5. Prior to June 30, the budget is legally enacted through adoption of a resolution.
6. Legal budgetary control is maintained by the School Board at the departmental level. Transfers between departments, whether between funds or within a fund, or revisions that alter the total revenues and expenditures of any fund, must be approved by the School Board. Budgetary information in the combined operating statements is presented at or below the legal level of budgetary control. It also includes the effects of approved budget amendments.
7. Budgetary data is included in the District's management information system and is employed as a management control device during the year.
8. Unused appropriations lapse at the end of each fiscal year; however, the District increases the subsequent year's appropriation by an amount equal to outstanding encumbrances and reserves a portion of the fund balance in a like amount. There were no outstanding encumbrances for the year ended June 30, 2024.
9. The budget for the general fund is adopted on the modified accrual basis of accounting which is consistent with accounting principles generally accepted in the United States of America.
10. Where applicable, unbudgeted federal and state revenues and expenditures have been added to the original budgeted revenues and expenditures.

CAMP HILL SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS -
DISTRICT'S SINGLE EMPLOYER PLAN
For the Fiscal Year Ended June 30, 2024**

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 70,587	\$ 113,982	\$ 108,469	\$ 80,000	\$ 82,000	\$ 75,000	\$ 71,000
Interest	40,549	28,612	22,687	34,000	28,000	26,000	19,000
Changes of benefit terms		-	-	-	-	-	-
Differences between expected and actual experience	(147,784)	-	(28,466)	-	38,000	-	-
Changes in assumptions	75,058	(320,970)	(33,311)	120,000	(26,000)	1,000	27,000
Benefit payments	(36,555)	(31,905)	(48,905)	(53,000)	(27,000)	(24,000)	(23,000)
Net change in total OPEB liability	1,855	(210,281)	20,474	181,000	95,000	78,000	94,000
Total OPEB Liability - beginning	947,950	1,158,230	1,137,756	956,000	861,000	783,000	689,000
Total OPEB Liability - ending	<u>\$ 949,805</u>	<u>\$ 947,949</u>	<u>\$ 1,158,230</u>	<u>\$ 1,137,000</u>	<u>\$ 956,000</u>	<u>\$ 861,000</u>	<u>\$ 783,000</u>
Covered payroll	<u>\$ 10,495,584</u>	<u>\$ 10,530,443</u>	<u>\$ 10,530,443</u>	<u>\$ 9,897,095</u>	<u>\$ 9,897,095</u>	<u>\$ 9,057,042</u>	<u>\$ 9,057,042</u>
Net OPEB liability as a percentage of covered payroll	9.0%	9.0%	11.0%	11.5%	9.7%	9.5%	8.6%

Notes to Schedule:

For the fiscal year ended June 30, 2024

Changes in assumptions: The discount rate changed from 4.06% to 4.13%. The trend assumption was updated. Assumptions for salary, mortality, withdrawal and retirement were updated based on new PSERS assumptions.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

CAMP HILL SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF DISTRICT'S OPEB CONTRIBUTIONS - PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

For the Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 78,398	\$ (78,398)	\$ -	\$ 12,454,190	0.63%
2023	\$ 89,223	\$ (89,223)	\$ -	\$ 11,834,682	0.75%
2022	\$ 88,388	\$ (88,388)	\$ -	\$ 11,100,122	0.80%
2021	\$ 86,000	\$ (86,000)	\$ -	\$ 10,458,223	0.82%
2020	\$ 86,000	\$ (86,000)	\$ -	\$ 10,270,349	0.84%
2019	\$ 83,517	\$ (83,517)	\$ -	\$ 10,062,199	0.83%
2018	\$ 80,448	\$ (80,448)	\$ -	\$ 9,692,543	0.83%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

CAMP HILL SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S OPEB CONTRIBUTIONS -
PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

For the Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 78,398	\$ (78,398)	\$ -	\$ 12,454,190	0.63%
2023	\$ 89,223	\$ (89,223)	\$ -	\$ 11,834,682	0.75%
2022	\$ 88,388	\$ (88,388)	\$ -	\$ 11,100,122	0.80%
2021	\$ 86,000	\$ (86,000)	\$ -	\$ 10,458,223	0.82%
2020	\$ 86,000	\$ (86,000)	\$ -	\$ 10,270,349	0.84%
2019	\$ 83,517	\$ (83,517)	\$ -	\$ 10,062,199	0.83%
2018	\$ 80,448	\$ (80,448)	\$ -	\$ 9,692,543	0.83%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

CAMP HILL SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

For the Fiscal Year Ended June 30	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.0769%	\$ 34,210,000	\$ 11,795,094	290.04%	61.85%
2023	0.0753%	\$ 33,477,000	\$ 11,055,099	302.82%	61.34%
2022	0.0738%	\$ 30,300,000	\$ 10,463,028	289.59%	63.67%
2021	0.0733%	\$ 36,092,000	\$ 10,458,223	345.11%	54.32%
2020	0.0724%	\$ 33,871,000	\$ 10,270,349	329.79%	55.66%
2019	0.0719%	\$ 34,515,084	\$ 10,062,199	343.02%	54.00%
2018	0.0712%	\$ 35,165,000	\$ 9,477,674	371.03%	51.84%
2017	0.0680%	\$ 33,699,272	\$ 8,807,770	382.61%	50.14%
2016	0.0675%	\$ 29,237,973	\$ 8,686,616	336.59%	54.36%
2015	0.0700%	\$ 26,400,653	\$ 8,517,113	309.97%	57.24%

The schedule is presented to illustrate the requirement to show information for 10 years.

The amounts presented for each fiscal year were determined as of the measurement date, which is one year prior to the fiscal year end.

CAMP HILL SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S PENSION CONTRIBUTIONS -
PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

For the Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 4,086,505	\$ (4,086,505)	\$ -	\$ 12,454,190	32.81%
2023	\$ 4,105,418	\$ (4,105,418)	\$ -	\$ 11,834,682	34.69%
2022	\$ 3,771,958	\$ (3,771,958)	\$ -	\$ 11,100,122	33.98%
2021	\$ 3,521,000	\$ (3,521,000)	\$ -	\$ 10,458,223	33.69%
2020	\$ 3,516,000	\$ (3,516,000)	\$ -	\$ 10,270,349	34.23%
2019	\$ 3,280,277	\$ (3,280,277)	\$ -	\$ 10,062,199	32.60%
2018	\$ 3,076,413	\$ (3,076,413)	\$ -	\$ 9,692,543	31.74%
2017	\$ 2,702,824	\$ (2,702,824)	\$ -	\$ 9,256,247	29.20%
2016	\$ 2,230,109	\$ (2,230,109)	\$ -	\$ 8,920,436	25.00%
2015	\$ 1,800,309	\$ (1,800,309)	\$ -	\$ 8,781,995	20.50%

The schedule is presented to illustrate the requirement to show information for 10 years.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of School Directors
Camp Hill School District
Camp Hill, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Camp Hill School District (District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 21, 2025.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs, as item 2024-001 to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs, as item 2024-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2024-002.

District's Response to Findings

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

Purpose of this Report

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

A handwritten signature in cursive script, reading "Boyer & Ritter". The signature is written in black ink and is positioned in the center of the page.

Camp Hill, Pennsylvania
January 21, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE**

Board of School Directors
Camp Hill School District
Camp Hill, Pennsylvania

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Camp Hill School District's (District) 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 District's major federal programs for the year ended June 30, 2024. The District'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 District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in black ink, reading "Boyer & Ritten". The signature is written in a cursive, flowing style with a large loop at the end.

Camp Hill, Pennsylvania
January 21, 2025

CAMP HILL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? X Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness (es)? X Yes None Reported

Noncompliance material to financial statements noted? X Yes No

Federal Awards

Internal control over major programs:

- Material weakness (es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered to be a material weakness (es)? Yes X None Reported

Type of auditor's report issued on compliance for the major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? Yes X No

Identification of the major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program</u>
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs \$750,000

Auditee qualified as low-risk auditee? Yes X No

CAMP HILL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2024

Section II -- Financial Statement Findings

A. Material Weakness in Internal Control

Finding 2024-001: Untimely Closing and Material Adjustments

Criteria: The financial records submitted for audit, and the related audit support should not require significant adjustments in order to support financial statement preparation in accordance with Generally Accepted Accounting Principles (GAAP). The District should have procedures in place to identify any significant adjustments.

Statement of Condition: The financial records required material adjustments in order for them to be presented in accordance with GAAP. There were both auditor identified adjusting entries and management identified adjusting entries posted subsequent to receiving trial balances to begin the audit. The District has designated an employee responsible to prepare the financial records and the related audit support, to oversee the audit and the external CPA firm's drafting of the financial statement including note disclosures. Management has assumed responsibility for evaluating the adequacy and results of the financial statements and approving all adjustments.

Cause and Effect: The District did not process, record, and reconcile all transactions on a timely basis. This impacted the District's ability to prepare the final financial records for the audit. The financial records required material adjustment in order for them to support the financial statements prepared in accordance with GAAP. By not performing timely reconciliations, the risk that material errors, irregularities, or potential fraud could go undetected increases. Additionally, the District was unable to file the Pennsylvania Annual Financial Report by its stated due date.

Identification of Repeat Finding: This is a repeat finding from the 2023 audit shown as 2023-01.

Questioned Costs: None

Recommendations: The District's staff should adhere to a strict monthly and annual closing schedule with defined roles and responsibilities, which would include monitoring of balance sheet and income statement accounts. The District should review and revise year-end closing procedures to address these adjustments in the future.

Views of Responsible Officials: See Corrective Action Plan on page 83.

CAMP HILL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2024

Section II -- Financial Statement Findings

A. Significant Deficiency in Internal Control

Finding 2024-002: Reporting Requirements

Criteria: The Pennsylvania Department of Education (PDE) requires the Reconciliation of Cash on Hand Quarterly Report for any program for which they received monthly payments. These quarterly reports are due the 10th working days of January, April, July, and October, for any period in which payments were received. Additionally, PDE also requires the Final Expenditure Report to be filed within 30 days after funds are expended but no later than 30 days after the ending date of the project. Since the reporting requirements had the same controls the criteria and finding were combined.

Statement of Condition: The District did not file the Title I, Title II, and Title IV Reconciliation of Cash on Hand Quarterly Reports for the required quarters ended March 2024 and June 2024. Additionally, the Final Expenditure Report for those grants were not filed by the required due date. The District did not file the ARP ESSER Reconciliation of Cash on Hand Quarterly Report for the quarter ended March 2024, or the Final Expenditure Report by the required due date. The reports noted here were not related to a single audit requirement and thus were reported as a financial statement internal control finding.

Cause and Effect: District personnel did not file various quarterly and final expenditure reports by the required due dates. The District is potentially risking a withholding of federal funds by PDE when required reports are not filed.

Identification of Repeat Finding: No

Questioned Costs: None

Recommendations: Procedures should be established to ensure that the District files all Reconciliation of Cash on Hand Quarterly Reports within 10 days of quarter ending and Final Expenditure Reports within 30 days after the funds are expended, but no later than 30 days after the ending date of the project.

Views of Responsible Officials: See Corrective Action Plan on page 83.

B. Compliance Findings

Finding 2024-002: Reporting Requirements

See Section II A. Significant Deficiency in Internal Control for details.

CAMP HILL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2024

Section III -- Federal Award Findings and Questioned Costs

A. Compliance Findings

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

B. Significant Deficiency (ies) in Internal Control

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

CAMP HILL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024

Grantor Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Grant Period	Program or Annual Award	Total Received for the Year	Accrued or (Deferred) Revenue at July 1, 2023	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue at June 30, 2024	Provided to Subrecipients
U.S. Department of Education										
Passed through the Pennsylvania Department of Education										
Title I - Grants to Local Educational Agencies	84.010	013-240059	23-24	\$ 134,956	\$ 48,208	\$ -	\$ 134,956	\$ 134,956	\$ 86,748	\$ -
Title I - Grants to Local Educational Agencies	84.010	013-230059	22-23	\$ 140,477	32,031	32,031	-	-	-	-
					80,239	32,031	134,956	134,956	86,748	-
Title II - Supporting Effective Instruction State Grants	84.367	020-240059	23-24	\$ 23,846	8,459	-	23,846	23,846	15,387	-
Title II - Supporting Effective Instruction State Grants	84.367	020-230059	22-23	\$ 24,510	670	670	-	-	-	-
					9,129	670	23,846	23,846	15,387	-
Title IV - Student Support and Academic Enrichment Grant	84.424	144-240059	23-24	\$ 10,997	3,928	-	10,997	10,997	7,069	-
Title IV - Student Support and Academic Enrichment Grant	84.424	144-230059	22-23	\$ 12,368	9,002	9,002	-	-	-	-
					12,930	9,002	10,997	10,997	7,069	-
COVID-19 ARP Elementary & Secondary School Emergency Relief Fund	84.425U	223-210059	20-24	\$ 1,218,175	487,269	97,030	390,239	390,239	-	-
Total passed through the Pennsylvania Department of Education					589,567	138,733	560,038	560,038	109,204	-
Passed through the Capital Area Intermediate Unit										
Special Education Cluster										
Special Education Grants to States	84.027	N/A	23-24	\$ 163,549	-		163,549	163,549	163,549	-
Special Education Grants to States	84.027	N/A	22-23	\$ 170,803	48,192	48,192	-	-	-	-
Special Education Preschool Grants	84.173	N/A	23-24	\$ 236	-	-	236	236	236	-
Special Education Preschool Grants	84.173	N/A	22-23	\$ 257	257	257	-	-	-	-
Total Special Education Cluster passed through the Capital Area Intermediate Unit					48,449	48,449	163,785	163,785	163,785	-
Total U.S. Department of Education					638,016	187,182	723,823	723,823	272,989	-

(Continued)

CAMP HILL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2024

Grantor Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Grant Period	Program or Annual Award	Total Received for the Year	Accrued or (Deferred) Revenue at July 1, 2023	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue at June 30, 2024	Provided to Subrecipients
U.S. Department of Agriculture										
Passed through the Pennsylvania Department of Education										
National School Lunch Program	10.555	N/A	23-24	N/A	88,186	-	116,666	116,666	28,480	-
National School Lunch Program	10.555	N/A	22-23	N/A	17,228	17,228	-	-	-	-
COVID-19 - National School Lunch Program - Supply Chain Assistance	10.555	N/A	23-24	N/A	31,164	-	31,164	31,164	-	-
COVID-19 - Pandemic EBT Administrative Funds	10.649	N/A	23-24	N/A	653		653	653	-	-
Total passed through the Pennsylvania Department of Education					137,231	17,228	148,483	148,483	28,480	-
Passed through the Pennsylvania Department of Agriculture										
National School Lunch Program - Food Donation	10.555	N/A	23-24	N/A	23,183	-	23,183	23,183	-	-
Total U.S. Department of Agriculture					160,414	17,228	171,666	171,666	28,480	-
Total Expenditures of Federal Awards					\$ 798,430	\$ 204,410	\$ 895,489	\$ 895,489	\$ 301,469	\$ -
Child Nutrition Cluster (Assistance Listing Numbers - 10.555)					\$ 159,761	\$ 17,228	\$ 171,013	\$ 171,013	\$ 28,480	\$ -
Special Education Cluster (Assistance Listing Numbers - 84.027 and 84.173)					\$ 48,449	\$ 48,449	\$ 163,785	\$ 163,785	\$ 163,785	\$ -
Education Stabilization Fund (Assistance Listing Number - 84.425)					\$ 487,269	\$ 97,030	\$ 390,239	\$ 390,239	\$ -	\$ -

See Notes to Schedule of Expenditures of Federal Awards.

CAMP HILL SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the District's under programs of the federal government for the year ended June 30, 2024. 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). Because the Schedule presents only a selected portion of the District's operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Note 2. Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Revenue is recognized when earned, and expenses are recognized when incurred. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. The District has not elected to use the 10% de Minimis indirect cost rate as allowed under the Uniform Guidance.

Note 2. Note 3. Indirect Cost Rate

The District did not elect to use the 10% de minimis indirect cost rate.

CAMP HILL SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS Year Ended June 30, 2024

Financial Statement Findings

Material Weakness

Finding 2023-001: Untimely Closing and Material Adjustments

Criteria: The financial records submitted for audit, and the related audit support should not require significant adjustments in order to support financial statement preparation in accordance with Generally Accepted Accounting Principles (GAAP). The District should have procedures in place to identify any significant adjustments.

Statement of Condition: The financial records required material adjustments in order for them to be presented in accordance with GAAP. There were both auditor identified adjusting entries and management identified adjusting entries posted subsequent to receiving trial balances to begin the audit. The District has designated an employee responsible to prepare the financial records and the related audit support, to oversee the audit and the external CPA firm's drafting of the financial statement including note disclosures. Management has assumed responsibility for evaluating the adequacy and results of the financial statements and approving all adjustments.

Cause and Effect: The District did not process, record, and reconcile all transactions on a timely basis. This impacted the District's ability to prepare the final financial records for the audit. The financial records required material adjustment in order for them to support the financial statements prepared in accordance with GAAP. By not performing timely reconciliations, the risk that material errors, irregularities, or potential fraud could go undetected increases. Additionally, the District was unable to file required financial reports by their stated due dates, such as the Pennsylvania Annual Financial Report, annual bond filing with the Electronic Municipal Market Access (EMMA), and the Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations.

Identification of Repeat Finding: No

Recommendations: The District's staff should adhere to a strict monthly and annual closing schedule with defined roles and responsibilities, which would include monitoring of balance sheet and income statement accounts. The District should review and revise year-end closing procedures to address these adjustments in the future.

Current Status: Corrective action has not been taken in the fiscal year ended June 30, 2024. This is reported as a material weakness in finding 2024-01.



CAMP HILL SCHOOL DISTRICT

418 South 24th Street

Camp Hill, PA 17011

717-901-2400

www.camphillsd.k12.pa.us

CORRECTIVE ACTION PLAN YEAR ENDED JUNE 30, 2024

Camp Hill School District respectfully submits the following corrective action plan for the year ended June 30, 2024. The findings from the Schedule of Findings and Questioned Costs, Section II – Financial Statement Findings are discussed below and numbered to correspond with the schedule.

Material Weakness:

Finding 2024-001

Recommendation: The District's staff should adhere to a strict monthly and annual closing schedule with defined roles and responsibilities, which would include monitoring of balance sheet and income statement accounts. The District should review and revise year-end closing procedures to address these adjustments in the future.

Corrective Actions Taken or Planned: The District accepts this finding. Significant turnover took place during the year in the Business Office with both new people and existing people in new roles. In addition, changes to procedures were implemented as well. Now that we are fully staffed, staff have been assigned to ensure monthly and annual duties are completed as scheduled. Changes have already begun to ensure the improvement over accuracy and timeliness. The District will use this year's adjusting entries as a guide for future audits and have those completed to the degree possible, prior to the audit beginning.

Responsible Party: Kerry Martin, Director of Business and Operations

Anticipated Completion Date: Correction is in progress and ongoing. Expected completion date 6/30/2025.

Significant Deficiency:

Finding 2024-002

Recommendation: Procedures should be established to ensure that the District files all Reconciliation of Cash on Hand Quarterly Reports within 10 days of quarter ending and Final Expenditure Reports within 30 days after the funds are expended, but no later than 30 days after the ending date of the project.

Corrective Actions Taken or Planned: The District accepts this finding. Due to turnover in the business office, the forms were not filed in a timely manner. Now that the office is fully staffed, an employee will be assigned to complete the forms as scheduled.

Responsible Party: Kerry Martin, Director of Business and Operations

Anticipated Completion Date: Correction is in progress and ongoing. Expected completion date 6/30/2025.

If there are any questions regarding this plan, please call Kerry Martin, Director of Business and Operation at 717-775-5945.

Kerry E. Martin
Director of Business and Operations