

NEW ISSUE - BOOK ENTRY ONLY

**RATINGS: Moody's: "A1" (Underlying)
S&P: "AA" (Stable Outlook) (AG Insured)
(See "RATINGS" herein)**

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, interest on the Bonds, including interest in the form of original issue discount, if any, will not be includible in gross income of the holders thereof for federal income tax purposes, assuming continuing compliance by the School District with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds will not be a specific preference item for purposes of computing the federal alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code for tax years beginning after December 31, 2022. Under the laws of the Commonwealth of Pennsylvania, as enacted and construed on the date hereof, interest on the Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax. See "TAX MATTERS" herein.

\$15,000,000*

**WEST YORK AREA SCHOOL DISTRICT
(York County, Pennsylvania)
General Obligation Bonds, Series of 2025**

Bonds Dated: Date of delivery
Principal Due: April 1, as shown on inside cover
Denomination: Integral multiples of \$5,000

Interest Payable: April 1 and October 1
First Interest Payment: October 1, 2025
Form: DTC Book-Entry Only

Legal Investment for Fiduciaries in Pennsylvania: The Bonds are a legal investment for fiduciaries in the Commonwealth of Pennsylvania under the Probate, Estate and Fiduciaries Code, Act of June 30, 1972, No. 164, P.L. 508 as amended and supplemented.

General: The General Obligation Bonds, Series of 2025 (the "Bonds" or "2025 Bonds") in the aggregate principal amount of \$15,000,000* are being issued by the West York Area School District (the "School District"), a public school district located in York County, Pennsylvania. The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of the Bonds can be made only under the book-entry system of DTC, and purchasers will not receive certificates representing their interests in the Bonds. While DTC, or its nominee Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by Manufacturers and Traders Trust Company, Harrisburg, Pennsylvania, as paying agent, directly to Cede & Co. Disbursement of such payments to the DTC Participants is the responsibility of DTC, and disbursement of such payments to Beneficial Owners of the Bonds is the responsibility of the DTC Participants and the Indirect Participants. See "BOOK-ENTRY ONLY SYSTEM" herein. Interest on the Bonds is payable initially on October 1, 2025, and thereafter, semiannually on April 1 and October 1 of each year.

Security: The Bonds are payable from the tax and other general revenues of the School District. The School District has covenanted that it will provide in its budget in each year, and will appropriate from its general revenues in each such year, the amount of the debt service due on the Bonds for such year and will duly and punctually pay or cause to be paid from funds deposited by the School District in the respective sinking funds established under the Resolution adopted by the School District on November 14, 2023, authorizing and securing the Bonds, or from any other of its legally available revenue or funds, the principal of every Bond and the interest thereon at the dates and place and in the manner stated in the Bonds, and for such budgeting, appropriation and payment the School District has irrevocably pledged its full faith, credit and taxing power, which taxing power includes the power to levy *ad valorem* taxes on all taxable property in the School District, within limitations provided by law (see "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS", APPENDIX A - "TAXING POWERS AND LIMITS" and "PENNSYLVANIA ACTS AFFECTING CERTAIN LOCAL TAXING POWERS OF SCHOOL DISTRICTS" – "Taxpayer Relief Act (Act 1)" herein).

Redemption: The Bonds are subject to optional redemption prior to their stated maturity dates, as described herein.

Proceeds of the Bonds will be used to: (1) finance various capital projects of the School District; and (2) pay the related costs, including the costs of issuing the Bonds.

Bond Insurance: The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by **ASSURED GUARANTY INC.**

**ASSURED
GUARANTY**

The Bonds are offered for delivery when, as and if issued by the School District and received by the Underwriter, subject to the approving legal opinion of Saxton & Stump, LLC, Lancaster, Pennsylvania, as Bond Counsel to the School District, to be furnished upon delivery of the Bonds. Certain legal matters will be passed upon by Saxton & Stump, LLC, Lancaster, Pennsylvania, as Solicitor for the School District, and for the Underwriter by its limited scope underwriter's counsel, Eckert Seamans Cherin & Mellott, LLC, Harrisburg, Pennsylvania. It is expected that the Bonds will be available for delivery through the facilities of DTC, on or about May ____, 2025.

RAYMOND JAMES®

*Preliminary, subject to change.

\$15,000,000*
WEST YORK AREA SCHOOL DISTRICT
(York County, Pennsylvania)
General Obligation Bonds, Series of 2025

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Form: DTC Book-entry Only

BOND MATURITY SCHEDULE

(April 1)	Principal	Interest			CUSIP
<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Numbers</u> ⁽¹⁾

⁽¹⁾The CUSIP (Committee on Uniform Securities Identification Procedures) numbers have been assigned by an organization not affiliated with the School District or the Underwriter, and such parties are not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of Bondholders and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such issue or the use of secondary market financial products. Neither the School District nor the Underwriter has agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers set forth above.

*Preliminary, subject to change.

No dealer, broker, salesman or other person has been authorized by the School District or the Underwriter to give any information or to make any representation, other than that given or made in this Official Statement, and if given or made, any such other information or representation may not be relied upon as having been authorized by the School District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement has been approved by the School District and, while the information set forth in this Official Statement has been furnished by the School District and other sources which are believed to be reliable, such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter or, as to information obtained from other sources, by the School District. The information and expressions of opinion set forth in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under this Official Statement shall, under any circumstances, create any implication that the affairs of the School District have remained unchanged since the date of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER'S MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE BONDS ARE MADE ONLY BY THE MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

THE UNDERWRITER HAS PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT PURSUANT TO ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

Assured Guaranty Inc. ("AG") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "BOND INSURANCE" and "Appendix G - Specimen Municipal Bond Insurance Policy".

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SUMMARY PAGE

This Summary Statement is subject in all respects to more complete information in this Official Statement. No person is authorized to detach this Summary Statement from this Official Statement or otherwise use it without the entire Official Statement. A full review of the entire Official Statement should be made by potential Bond purchasers.

Issuer	West York Area School District, York County, Pennsylvania (the "School District").
Bonds	The General Obligation Bonds, Series of 2025 in the principal amount of \$15,000,000* (the "Bonds"), dated as of the date of delivery, maturing on April 1, _____ through April 1, _____. Interest on the Bonds shall be payable semiannually on April 1 and October 1. See " DESCRIPTION OF THE BONDS " herein.
Optional Redemption	The Bonds stated to mature on or after April 1, _____, are subject to redemption prior to maturity at the option of the School District in whole or, from time to time, in part, in any order of maturities as the School District shall select, on any date or dates on or after April 1, _____, at a price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon to the date fixed for such optional redemption.
Form	Book-Entry Only.
Application of Proceeds	Proceeds of the Bonds will be used to: (1) finance various capital projects of the School District; and (2) pay the related costs, including the costs of issuing the Bonds.
Security	The Bonds are general obligations of the School District, for the payment of which the School District has pledged its full faith, credit and taxing power.
Rating	S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") is expected to assign its municipal bond insured rating of AA (stable outlook) to this issue of Bonds with the understanding that upon delivery of the Bonds, a municipal Bond insurance policy insuring the payment when due of the principal of and interest on the Bonds will be issued by AG. Currently, AG's financial strength is rated "AA" (stable outlook) by S&P. Moody's Investor's Service, Inc. ("Moody's") has assigned, to this issue of the Bonds, the School District an underlying rating of "A1". (See " RATINGS " herein.)
Continuing Disclosure Undertaking	The School District has agreed to provide, or cause to be provided, in a timely manner, certain information in accordance with the requirements of Rule 15c2-12, as promulgated under the Securities Exchange Act of 1934, as amended and interpreted (the "Rule"). (See " CONTINUING DISCLOSURE UNDERTAKING " and " APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE, for the filing deadline, see "Section 3: Time period within which annual information must be filed" " herein.)

WEST YORK AREA SCHOOL DISTRICT
(York County, Pennsylvania)
1891 Loucks Road, Suite 100
York, Pennsylvania 17408

BOARD OF SCHOOL DIRECTORS

Mr. Daniel Rice	President
Mr. John Hamme.....	Vice President
Mr. Todd Gettys.....	Treasurer
Mr. Chad Deardorff	Member
Ms. Christina Dugan.....	Member
Mr. Shawn Harlacher.....	Member
Ms. Jeanne Herman	Member
Mr. Wesley Myers	Member
Ms. Brandy Shope	Member

SCHOOL ADMINISTRATION

Dr. Todd Davies	Superintendent of Schools
Sheri Schlemmer.....	Chief Financial & Operations Officer

BOND COUNSEL/SOLICITOR

Saxton & Stump, LLC
Lancaster, Pennsylvania

UNDERWRITER

Raymond James & Associates, Inc.
Lancaster, Pennsylvania

LIMITED SCOPE UNDERWRITER'S COUNSEL

Eckert Seamans Cherin & Mellott, LLC
Harrisburg, Pennsylvania

PAYING AGENT

Manufacturers and Traders Trust Company
Harrisburg, Pennsylvania

OFFICIAL STATEMENT

\$15,000,000*

WEST YORK AREA SCHOOL DISTRICT

(York County, Pennsylvania)

General Obligation Bonds, Series of 2025

INTRODUCTION

This Official Statement is furnished by the West York Area School District (the "School District"), a public school district located in York County, Pennsylvania, in connection with the offering of its General Obligation Bonds, Series of 2025 (the "Bonds" or "2025 Bonds") in the aggregate principal amount of \$15,000,000*, to be dated their date of delivery (the "Delivery Date") when the Bonds are issued and delivered to DTC (described below) or its agent. The Bonds are general obligations of the School District, which are secured by a parity pledge of its full faith, credit and taxing power to pay the principal of and interest due on the Bonds.

The Bonds are being issued pursuant to, and are secured by, a Resolution adopted by the Board of School Directors of the School District on November 14, 2023 (the "Resolution"), in accordance with the laws of the Commonwealth of Pennsylvania (the "Commonwealth" or "State"), including the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"). Copies of the Resolution may be obtained from the School District.

The Bonds shall be issued in fully registered form, without certificates or coupons, in the denomination of \$5,000 principal amount and integral multiples thereof. Interest on the Bonds is payable semiannually on April 1 and October 1 of each year, commencing October 1, 2025. Interest on any Bond is payable to the Beneficial Owner as of the applicable Record Date (defined below). The interest on and principal of the Bonds is payable by the School District to Manufacturers and Traders Trust Company (the "Paying Agent"), serving as paying agent and sinking fund depository, for transfer to DTC. When issued, the Bonds will be registered in the name of Cede & Co., as nominee for the Depository Trust Company ("DTC"), New York, New York. Purchasers of the Bonds (the "Beneficial Owners") will not receive any bond certificates, and beneficial ownership of the Bonds will be evidenced only by electronic book entries. See "BOOK-ENTRY ONLY SYSTEM" herein.

The information which follows contains summaries of the Resolution, the Bonds, the Debt Act, Act 1 (herein defined) and other laws, the School District's Budget and its Financial Statements. Such summaries do not purport to be complete, and reference is made to such documents and laws in their entirety, copies of which are on file and available for examination at the offices of the School District.

Neither the delivery of the Official Statement nor any sale of the Bonds made hereunder shall, under any circumstances, create an implication that there have been no changes in the affairs of the School District, or in the communities or areas in or about the School District, since the date of the Official Statement of the earliest date as of which certain information contained herein is given.

PURPOSE OF THE ISSUE

Proceeds of the Bonds will be used to: (1) finance various capital projects of the School District; and (2) pay the related costs, including the costs of issuing the Bonds.

SOURCES AND USES OF FUNDS

	<u>Total</u>
<u>Sources of Funds</u>	
Proceeds of the Bonds.....	
Net Original Issue Premium	
Total Sources of Funds	
<u>Uses of Funds</u>	
Construction Fund Deposit.....	
Costs of Issuance ⁽¹⁾	
Total Uses of Funds	

⁽¹⁾ Includes legal fees, underwriter's discount, paying agent fees, rating fee, municipal bond insurance premium, CUSIP, printing and miscellaneous fees.

*Preliminary, subject to change.

DESCRIPTION OF THE BONDS

The Bonds will be issued in book-entry form, in denominations of \$5,000 principal amount and integral multiples thereof. The Bonds will bear interest from the Delivery Date at the rates and mature in the amounts and on the dates set forth on the inside front cover of this Official Statement. Interest on the Bonds will be payable initially on October 1, 2025, and thereafter, semiannually on April 1 and October 1 of each year until the maturity date of such Bond or, if such Bond is subject to redemption prior to maturity, until the date fixed for redemption thereof, if payment of the redemption price has been duly made or provided for.

When issued, the Bonds will be registered in the name of Cede & Co., as partnership nominee for The Depository Trust Company (“DTC”), New York, New York. Purchasers of the Bonds (the “Beneficial Owners”) will not receive any physical delivery of bond certificates, and beneficial ownership of the Bonds will be evidenced only by book entries. See “BOOK-ENTRY ONLY SYSTEM” herein.

Payment of Principal and Interest

So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, payments of principal of and interest on the Bonds, when due, are to be made to DTC and all such payments shall be valid and effective to satisfy fully and to discharge the obligations of the School District with respect to, and to the extent of, principal and interest so paid. If the use of the book-entry only system for the Bonds is discontinued for any reason, bond certificates will be issued to the Beneficial Owners of the Bonds and payment of principal and interest on the Bonds shall be made as described in the following paragraphs.

The principal of any certificated Bonds, when due upon maturity or any earlier mandatory or optional redemption, will be paid to the registered owners of such Bonds, or registered assigns, upon surrender of such Bonds to the Paying Agent at its designated corporate trust office (or to any successor paying agent at its designated office(s)).

Interest on any certificated Bonds will be payable to the registered owner of such a Bond from the interest payment date next preceding the date of registration and authentication of the Bond, unless: (a) such Bond is registered and authenticated as of an interest payment date, in which event such Bond shall bear interest from said interest payment date, or (b) such Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event such Bond shall bear interest from such interest payment date, or (c) such Bond is registered and authenticated on or prior to the Record Date preceding, October 1, 2025, in which event such Bond shall bear interest from the Delivery Date, or (d) as shown by the records of the Paying Agent, interest on such Bond shall be in default, in which event such Bond shall bear interest from the date to which interest was last paid on such Bond. Interest on a certificated Bond will be payable by check drawn on the Paying Agent, which shall be mailed to the registered owner whose name and address shall appear, at the close of business on the fifteenth (15th) day of the month (whether or not a day on which the Paying Agent is open for business) next preceding each interest payment date (the “Record Date”), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date, unless the School District shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name the Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owners of such Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names such certificated Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

Transfer, Exchange and Registration of Certificated Bonds

Subject to the provisions herein under “BOOK-ENTRY ONLY SYSTEM”, any certificated Bonds are transferable or exchangeable by the registered owners thereof upon surrender of such Bonds to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of such Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of such Bonds in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered and certificated bond or bonds of authorized denominations of the same, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive. The School District and the Paying Agent may deem and treat the registered owner of any certificated Bond as the absolute owner thereof (whether such Bond shall be overdue) for the purpose of receiving payment of or on account of principal and interest and for all other purposes, and the School District and the Paying Agent shall not be affected by any notice to the contrary.

The School District and the Paying Agent shall not be required: (a) to register the transfer of or exchange any certificated Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of such Bonds to be redeemed and ending at the close of business on the day of mailing of the applicable notice of redemption; or (b) to register the transfer of or exchange any portion of any certificated Bond selected for redemption until after the redemption date. Certificated Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity, and interest rate.

REDEMPTION OF BONDS

Mandatory Sinking Fund Redemptions

In the manner and upon the terms and conditions provided in the Resolution, the following Bond maturities are subject to mandatory redemption in direct order of maturity, pursuant to operation of the Mandatory Sinking Fund in the manner set forth in the Resolution at a redemption price equal to one hundred percent (100%) of the principal amount thereof, together with accrued interest, on April 1st of the following years and in the following principal amounts:

<u>Year</u>	<u>Amount</u>
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Optional Redemption

The Bonds maturing on and after April 1, _____ are subject to redemption prior to maturity at the option of the School District, in whole or in part, in any order of maturities as the School District shall select, on any date on or after April 1, _____ at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon to the date fixed for such optional redemption. In the event that less than all Bonds of a particular maturity are to be redeemed, the Bonds of such maturity shall be drawn by lot by the Paying Agent.

Notice of Redemption

So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, however, the School District and the Paying Agent shall send redemption notices only to Cede & Co. See "BOOK-ENTRY ONLY SYSTEM" herein for further information regarding conveyance of notices and Beneficial Owners.

Notice of any redemption shall be given by depositing a copy of the redemption notice in first class mail not less than thirty (30) days prior to the date fixed for redemption, addressed to each of the registered owners of any certificated Bonds to be redeemed, at the addresses shown on the registration books kept by the Paying Agent as of the date such Bonds are selected for redemption; provided, however, that failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof shall cease to be entitled to any benefit or security under the Resolution, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption.

The notice of redemption may state that it is conditional, *i.e.*, that it is subject to the deposit of sufficient redemption money with the Paying Agent or other escrow agent on the redemption date in sufficient time to effectuate the redemption of Bonds. If, after issuing a notice of redemption, the School District is unable or otherwise fails to deposit with the Paying Agent (or other bank or depository acting as refunding escrow agent) money sufficient to redeem the Bonds called for redemption, such notice may be withdrawn or be of no effect until such money is so deposited.

Manner of Redemption

So long as Cede & Co., nominee of DTC, is the registered owner of the Bonds, however, payment of the redemption price shall be made by Cede & Co. in accordance with the existing arrangements by and among the School District, the Paying Agent and DTC and, if less than all of the Bonds in a particular maturity are to be redeemed, the amount of the interest of each DTC Participant, Indirect Participant and Beneficial Owner on such Bonds to be redeemed shall be determined by the governing arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY ONLY SYSTEM" herein for further information regarding redemption of Bonds registered in the name of Cede & Co.

If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, a Bond shall be treated as representing the number of Bonds that is equal to the principal amount thereof divided by \$5,000, each \$5,000 portion of such Bond being subject to redemption. In the case of partial redemption of a certificated Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for certificated Bonds of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal, premium, if any, and interest upon such redemption shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

If any maturity of the Bonds which is subject to mandatory sinking fund redemption shall be called for optional redemption in part, the School District shall be entitled to designate whether the principal amount redeemed is to be credited against the principal amount of the Bonds

of such maturity required to be called for mandatory sinking fund redemption on any particular future date or dates, or shall be credited against the principal amount of such Bonds to be due and payable at stated maturity, in each case in a whole multiple of \$5,000 principal amount.

BOOK-ENTRY ONLY SYSTEM

The information in this section has been obtained from materials provided by DTC for such purpose. The School District (herein referred to as the "Issuer") and the Underwriter do not guaranty the accuracy or completeness of such information, and such information is not to be construed as a representation of the School District or the Underwriter

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each series of the Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC.

DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The Ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

NEITHER THE SCHOOL DISTRICT NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANT, INDIRECT PARTICIPANT OR BENEFICIAL OWNER OR ANY OTHER PERSON WITH RESPECT TO: (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (4) THE DELIVERY TO ANY BENEFICIAL OWNER BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

The School District and the Paying Agent cannot give any assurances that DTC or the Participants will distribute payments of the principal or redemption price of and interest on the Bonds paid to DTC or its nominee, as the registered owner of the Bonds, or any redemption or other notices, to the Beneficial Owners or that they will do so on a timely basis, or that DTC will serve and act in the manner described in this Official Statement.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General Obligation Pledge

The Bonds are general obligations of the School District, payable from its local taxes and other general revenues, including available state subsidies, on a parity basis with each other, and other existing or future general obligation debt of the School District. The taxing powers of the School District are described more fully in **APPENDIX A – TAXING POWERS AND LIMITS**. The School District has covenanted in the Resolution that it will include in its budget for each fiscal year, and will appropriate in each such year, the amount of the debt service due on the Bonds for such year and will duly and punctually pay, or cause to be paid, the principal of every Bond and the interest thereon on the dates, at the place and in the manner stated in the Bonds, and for such budgeting, appropriation and payment, the School District has irrevocably pledged its full faith, credit and taxing power.

Actions in the Event of Default on the Bonds

In the event of a failure by the School District to pay or cause to be paid the interest on or principal of the Bonds, as the same becomes due and payable, the holders of the Bonds shall be entitled to remedies specified by the Debt Act. Among the remedies, if the failure to pay shall continue for 30 days, holders of the Bonds shall have the right to recover the amount due by bringing an action in assumpsit in the Court of Common Pleas of the county in which the School District is located. The Debt Act provides any judgment shall have an appropriate priority upon the funds next coming into the treasury of the School District. The Debt Act also provides that upon a default of at least 30 days, holders of at least 25% of the Bonds may appoint a trustee to represent them. The Debt Act provides certain other remedies in the event of default, and further qualifies the remedies hereinbefore described.

Sinking Fund

Under the Resolution, the School District has created a "Sinking Fund - General Obligation Bonds, Series of 2025" (the "Sinking Fund Depository") as required by the Debt Act and segregated from all other funds of the School District. The School District shall deposit in the respective Sinking Funds, not later than the date when principal or interest is to become due on the Bonds, an amount sufficient to provide for the payment of interest and principal becoming due on the Bonds.

The Sinking Fund shall be held by the Sinking Fund Depository and invested by the Sinking Fund Depository in such securities as are authorized by the Debt Act, upon direction of the School District. Such deposits and securities shall be in the name of the School District but subject

to withdrawal or collection only by the Sinking Fund Depository, and such deposits and securities, together with the interest thereon, shall be a part of the Sinking Funds.

The Paying Agent is authorized and directed to pay from the Sinking Fund the principal of and interest on the respective Bonds when due and payable.

Commonwealth Enforcement of Debt Service Payments

Section 633 of the Pennsylvania Public School Code of 1949, as amended by Act 150 of 1975, and as further amended and supplemented (the “Public School Code”), provides that in all cases where the board of school directors of any school district fails to pay or to provide for the payment of any indebtedness on the date of maturity or date of mandatory redemption or on any sinking fund deposit date, or any interest due on such indebtedness on any interest payment date or on any sinking fund deposit date, in accordance with the schedule under which the bonds were issued, the Secretary of Education of the Pennsylvania Department of Education (“PDE”) shall notify such board of school directors of its obligation and shall withhold out of any Commonwealth appropriation due such school district an amount equal to the sum of the principal amount maturing or subject to mandatory redemption and interest owing by such school district, or sinking fund deposit due by such school district, and shall pay over the amount so withheld to the bank or other person acting as sinking fund depository for such Bond issue. These withholding provisions are not part of any contract with the holders of the Bonds, and may be amended or repealed by future legislation.

The effectiveness of Section 633 of the Public School Code may be limited by the application of other withholding provisions contained in the Public School Code, such as provisions for withholding and paying over of appropriations for payment of unpaid teachers’ salaries. In addition, enforcement may also be limited by bankruptcy, insolvency, or other laws or equitable principles affecting the enforcement of creditors’ rights generally. See “**Pennsylvania Budget Adoption**” herein.

Pennsylvania Budget Adoption Impasses

The Commonwealth’s fiscal year begins on July 1. The budgets for the 2018-19 and the 2019-20 fiscal years were adopted timely. Due to the uncertainty of funding and expenditures caused by the COVID-19 pandemic, on May 29, 2020, the Governor approved a five-month stopgap budget for fiscal year 2020-21. This budget provided five months of flat funding for most state programs and a full twelve months of flat funding for public education. On November 20, 2020, the General Assembly passed Senate Bill 1350 and House Bill 2536, which included the 2020-21 Supplemental Budget to fund the Commonwealth through the remaining seven-months of fiscal year 2020-21. The legislation was sent to the Governor’s desk for approval and on November 23, 2020, the Governor approved the 2020-21 Supplemental Budget, which included mostly flat funding for public education similar to the stopgap budget adopted for the first five months of the 2020-21 fiscal year.

The Governor signed the state’s 2021-2022 fiscal year budget on June 30, 2021. The budget included an increase of \$300 million for basic education, with \$100 million of that targeted to the 100 historically underfunded school districts that included districts in both urban and rural areas of the Commonwealth. Special education received a \$50 million increase, boosting that budget line to \$1.24 billion, while preschool and Head Start programs received a \$30 million increase, to \$311.5 million. All told, funding for K-12 schools reached a record high of \$13.55 billion in the 2021-22 budget.

After a week’s delay and intense negotiations, the \$45.2 billion budget for Pennsylvania’s 2022-23 fiscal year was signed by Governor Tom Wolf on July 8, 2022. The 2022-23 enacted budget included \$7,625,124,000 for the basic education funding appropriation and \$225,000,000 to supplement those school districts with a higher at risk student population. The total amount allocated for education included a \$767,820,000 (10.83%) increase over the 2021-2022 fiscal year appropriation.

After over a month delay, a \$45.5 billion budget for the state’s 2023-24 fiscal year was signed by Governor Josh Shapiro on August 3, 2023, which included \$8.4 billion for the basic education funding appropriation. The total amount included a \$796.6 million (10.45%) increase over the 2022-23 fiscal year appropriation. The budget also provided \$50 million in additional aid to school districts for special education services for a total of \$1.3 billion. Certain funds authorized within the 2023-24 Budget required companion implementation language amending the Fiscal Code to be fully implemented. On December 13, 2023 multiple code bills were passed finalizing the 2023-24 Budget for education.

After a two week delay, a \$47.6 billion budget for the state’s 2024-25 fiscal year was signed by Governor Josh Shapiro on July 11, 2024, which included an increase of \$1.11 billion for K-12 education funding. The total basic education funding appropriation is \$8,157,444,000 which is a 3.62% increase over the 2023-24 enacted fiscal year appropriation. Also, the budget provides for \$100 million increase in additional aid to school districts for special education services.

During a state budget impasse, school districts in the Commonwealth cannot be certain that state subsidies and revenues owed them from the Commonwealth will become available. This includes many of the major state subsidies, and overall revenues, that a Pennsylvania school district receives including basic education funding, special education funding, PlanCon reimbursements, and certain block grants, among many others. **Future budget impasses may affect the timeliness or amount of payments by the Commonwealth under the withholding provisions of Section 633 of the Public School Code. Act 85 of 2016 was adopted to address the timeliness of the withholding provisions of Section 633 of the Public School Code during any future budget impasses. See “Act 85 of 2016” below.**

Act 85 of 2016 (State Subsidy Intercept During a Budget Impasse)

On July 13, 2016, the Governor of the Commonwealth signed into law Act No. 85 of 2016, (P.L. 664, No. 85) ("Act 85 of 2016"), an amendment to the Act of April 9, 1929 (P.L. 343, No. 176), known as the Fiscal Code ("Fiscal Code"). Act 85 of 2016 adds to the Fiscal Code Article XVII-E.4, entitled "School District Intercepts for the Payment of Debt Service During Budget Impasse", which provides for intercept of subsidy payments by PDE otherwise due a school district that is subject to an intercept statute or an intercept agreement, in the event of a Commonwealth budget impasse in any fiscal year.

Act 85 of 2016 includes in the definition of "intercept statutes" Sections 633 of the Public School Code. The School District's general obligation debt, including the Bonds, are subject to Section 633 of the Public School Code.

Act 85 of 2016 provides that the amounts as may be necessary for PDE to comply with the provisions of the applicable intercept statute or intercept agreement "shall be appropriated" to PDE from the General Fund of the Commonwealth after PDE submits justification to the majority and minority chairs of the appropriations committees of the Pennsylvania Senate and House of Representatives allowing ten (10) calendar days for their review and comment, if, in any fiscal year:

- (1) annual appropriations for payment of Commonwealth money to school districts have not been enacted by July 1 and continue not to be enacted when a payment is due;
- (2) the conditions under which PDE is required to comply with an intercept statute or intercept agreement have occurred, thereby requiring PDE to withhold payments which would otherwise be due to school districts; and
- (3) the Secretary of PDE, in consultation with the Secretary of the Budget, determines that there are no payments or allocations due to be paid to the applicable school districts from which PDE may withhold money as required by the applicable intercept statute or intercept agreement.

The necessary amounts shall be appropriated on the expiration of the tenth (10th) day following submission of the justification described above to the majority and minority chairs of the appropriations committees, who may comment on the justification but cannot prevent the effectiveness of the appropriation.

The total of all intercept payments under Article XVII-E.4 of Act 85 of 2016 for a school district may not exceed 50% of the total nonfederal general fund subsidy payments made to that school district in the prior fiscal year.

Act 85 of 2016 requires that each school district subject to an intercept statute or intercept agreement must deliver to PDE, in the format PDE directs, information pertaining to each eligible borrowing within thirty (30) days of receipt of the proceeds of the obligations. The School District intends to submit this information to PDE within the prescribed timeframe following the issuance of the Bonds. Act 85 of 2016 provides that any obligation for which PDE does not receive the required documents shall not be subject to the applicable intercept statute or intercept agreement.

The provisions of Act 85 of 2016 are not part of any contract with the holders of the Bonds and may be amended or repealed by future legislation.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Inc. ("AG") will issue its Municipal Bond Insurance Policy (the "Policy") for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to

revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On October 18, 2024, KBRA announced it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

On May 28, 2024, S&P announced it had affirmed AG's financial strength rating of "AA" (stable outlook). On August 1, 2024, S&P stated that following the Merger, there is no change in AG's financial strength rating of "AA" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Capitalization of AG

At December 31, 2024:

- The policyholders' surplus of AG was approximately \$3,524 million.
- The contingency reserve of AG was approximately \$1,392 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,424 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the Securities and Exchange Commission (the "SEC") on February 28, 2025 that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "BOND INSURANCE – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included

AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "BOND INSURANCE".

BONDHOLDER CONSIDERATIONS

The Bonds, like all investment securities, carry a risk of loss of the investment, in whole or in part. This Official Statement does not purport to describe all of the risks of an investment in the Bonds; both the School District and the Underwriter disclaim any responsibility to advise prospective investors of such risks either as they may exist at the date of dissemination of this Official Statement or as they may appear or change from time to time in the future. Prospective purchasers of the Bonds should consult their own legal and tax advisors as to the risks associated with an investment in the Bonds, their ability to bear a loss from an investment in the Bonds and the suitability of investing in the Bonds, in light of their particular, individual circumstances. Prospective purchasers should carefully consider the matters described below, as well as all the information contained within this entire Official Statement inclusive of its Appendices.

Bond Insurance Risk Factors

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the applicable Bond Insurance Policy (the "Policy") for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the School District which is recovered by the School District from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absence such prepayment by the School District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies that the Paying Agent exercises and the Bond Insurer's consent may be required in connection with amendments to the applicable agreements.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received by the Paying Agent pursuant to the applicable agreements. In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See description under "RATINGS" herein.

The obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available to the Paying Agent may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the School District or Underwriter has made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given.

Cybersecurity

The School District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the School District may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the School District's systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. The School District has never had a material cyber breach or a cyber breach that resulted in a financial loss. No assurance can be given that the School District's current efforts to manage cyber threats and security will, in all cases, be successful. The School District cannot predict what future cyber security events may occur and what impact said events could have on its operations or finances. In addition to the various processes in place to safeguard against cyber security attacks, the School District also maintains a comprehensive insurance policy which includes privacy liability, cyber incident response, data breach, network security, internet media and network extortion coverages.

The School District relies on other entities and service providers in the course of operating the School District, including its accountants, attorneys, the trustee, and banks, as well as vendors with respect to outsourced critical digital network operations and functions. No assurance can be given that future cyber threats and attacks against other third party entities or service providers will not impact the School District, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the Continuing Disclosure Certificate.

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The School District cannot predict the timing, extent, or severity of climate change and its impact on its operations and finances. The School District has not experienced increases in extreme weather events, but has established reserves to address severe weather disasters and maintains a comprehensive insurance policy.

Risk of Audit by Internal Revenue Service

The Internal Revenue Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Internal Revenue Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Internal Revenue Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Internal Revenue Service is likely to treat the School District as the taxpayer and Bond purchasers may have no right to participate in such procedure. None of the School District, the Underwriter or Bond Counsel is obligated to defend the tax-exempt status of the Bonds on behalf of the Bond purchasers, nor to pay or reimburse the cost of any Bond purchaser with respect to any audit or litigation relating to the Bonds. See “**TAX MATTERS**” herein.

CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirement of Rule 15c2-12 (the “Rule”) of the United States Securities and Exchange Commission (the “SEC”), the School District (being an “obligated person” with respect to the Bonds, within the meaning of the Rule), will agree to provide certain financial information and operating data to the Municipal Securities Rulemaking Board (the “MSRB”) in an electronic format as prescribed by the MSRB, either directly, or indirectly through a designated agent, as set forth in its Continuing Disclosure Certificate substantially in the form attached hereto as Appendix D.

With respect to the filing of annual financial information and operating data, the School District reserves the right to modify from time to time the specific types of information and data provided or the format of the presentation of such information to the extent necessary or appropriate as a result of a change in legal requirements or a change in the nature of the School District or its operations or financial reporting, but the School District will agree that any such modification will be done in a manner consistent with the Rule.

The School District is required to give notice of certain events as set forth in the Continuing Disclosure Certificate (not all of which will be relevant to the School District). The School District may from time to time choose to file notice of other events in addition to those specified in the Continuing Disclosure Certificate.

The School District acknowledges that its undertaking pursuant to the Rule described herein and in the Continuing Disclosure Certificate is intended to be for the benefit of the holders and beneficial owners of the Bonds and shall be enforceable by the holder and beneficial owner of the Bonds, but the right of the holders and beneficial owners of the Bonds to enforce the provisions of the School District’s continuing disclosure undertaking shall be limited to a right to obtain specific enforcement, and any failure by the School District to comply with the provisions of the undertaking shall not be an event of default with respect to the Bonds.

The School District’s obligations with respect to continuing disclosure described herein shall terminate upon the prior defeasance, redemption or payment in full of all of the Bonds or if and when the School District is no longer an “obligated person” with respect to the Bonds, within the meaning of the Rule.

The MSRB has been designated by the SEC to be the central and sole repository for continuing disclosure information filed by issuers of municipal securities since July 1, 2009. Information and notices filed by municipal issuers (and other defined “obligated persons”) with respect to municipal securities issues) are made available through the MSRB’s Electronic Municipal Market Access (EMMA) System, which may be accessed on the internet at <http://www.emma.msrb.org>.

The School District has previously entered into a continuing disclosure agreement with respect to its previously issued General Obligation Bonds, Series of 2013 (the “2013 Bonds”). On March 26, 2020, the 2013 Bonds were defeased using proceeds from a bank loan which were held in escrow until the optional redemption date of April 1, 2023, at which time the 2013 Bonds were fully redeemed. The School District’s filing history of its annual financial and operating information during the past five (5) years are outlined in the following table.

Fiscal Year Ending	Filing Due Date	Filing Dates:		
		Audit	Operating Data	Budget
6/30/2024	3/26/2025	2/26/2025	2/27/2025	2/27/2025
6/30/2023	3/26/2024	2/20/2024	2/28/2024	2/28/2024
6/30/2022	1/26/2023	2/09/2023 ⁽²⁾	2/09/2023 ⁽²⁾	⁽³⁾
6/30/2021	1/26/2022	⁽¹⁾	2/09/2023 ⁽²⁾	⁽³⁾
6/30/2020	1/26/2021	3/18/2021	3/18/2021	⁽³⁾

⁽¹⁾The Audit for FYE June 30, 2021 was not filed to EMMA.

⁽²⁾Certain portions of the operating data were not filed to EMMA.

⁽³⁾The School District was not subject to a filing of the Budget under the continuing disclosure agreement entered into, in connection with the 2013 Bonds.

The School District has reasonable procedures in place designed to facilitate ongoing timely filings with respect to its continuing disclosure requirements. On November 10, 2023, the School District engaged the services of Raymond James & Associates, Inc., as dissemination agent, in order to assist the School District with its future compliance with the School District’s continuing disclosure undertakings in accordance with the Rule.

NO LITIGATION

As a condition to the settlement for the Bonds, the School District will deliver a certificate, and the School District’s Solicitor’s opinion will include a paragraph, stating that there is no pending litigation challenging or pertaining to the Bonds.

TAX MATTERS

Federal

Exclusion of Interest From Gross Income. In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, interest on the Bonds will not be includible in gross income of the holders thereof for federal income tax purposes, assuming continuing compliance by the School District with the requirements of the Code. Interest on the Bonds will not be a specific preference item for purposes of computing the federal alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations under the Code for tax years beginning after December 31, 2022.

In rendering its opinion, Bond Counsel has assumed compliance by the School District with its covenants contained in the Resolution and the representations in the Tax Compliance Certificate executed by the School District on the date of issuance of the Bonds relating to actions to be taken by the School District after issuance of the Bonds necessary to effect or maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes. These covenants and representations relate to the use and investment of proceeds of the Bonds and the rebate to the United States Department of Treasury of specified arbitrage earnings, if any. Failure to comply with such covenants could result in interest on the Bonds becoming includible in gross income for federal income tax purposes from the date of issuance of the Bonds.

Other Federal Tax Matters. Ownership or disposition of the Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, individuals who otherwise qualify for the earned income credit and taxpayers who have an initial basis in the Bonds greater or less than the principal amount thereof, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers, including banks, thrift institutions and other financial institutions, subject to Code Section 265, who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds.

The Bonds are **not** designated, as “qualified tax-exempt obligations” for purposes and effected by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

Bond Counsel is not rendering any opinion as to any federal tax matters other than as described under the caption “Exclusion of Interest from Gross Income” above and expressly stated in the form of Bond Counsel opinion included as APPENDIX C. Purchasers of the Bonds should consult their independent tax advisors with regard to all federal tax matters.

Pennsylvania

In the opinion of Bond Counsel, under the laws of the Commonwealth, as enacted and construed on the date hereof, interest on the Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax; however, under the laws of the

Commonwealth, as enacted and construed on the date hereof, any profits, gains or income derived from the sale, exchange or other disposition of the Bonds will be subject to Pennsylvania taxes and local taxes within the Commonwealth.

Other Jurisdictions

The Bonds and the interest thereon may be subject to state or local taxes in jurisdictions other than the Commonwealth under applicable state or local tax laws.

Other

The Inflation Reduction Act, H.R. 5376 (the “IRA”), has been passed by both houses of Congress and signed by the President; as passed, the IRA includes a 15% alternative minimum tax to be imposed on the “adjusted financial statement income”, as defined in the IRA, of certain corporations for tax years beginning after December 31, 2022. If the IRA is enacted as passed, interest on the Bonds will be included in the “adjusted financial statement income” of such corporations for purposes of computing such alternative minimum tax.

LEGAL OPINIONS

The issuance of the Bonds is subject to the approving legal opinion of Saxton & Stump, LLC, in Lancaster, Pennsylvania, as Bond Counsel to the School District, substantially in the form of Appendix C. Certain legal matters will be passed on for the School District by Saxton & Stump, LLC, in Lancaster, Pennsylvania, Solicitor to the School District, and Eckert Seamans Cherin & Mellott, LLC, in Harrisburg, Pennsylvania, will pass upon certain legal matters as limited scope undertaking counsel to the underwriter.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) is expected to assign its municipal bond insured rating of “AA” (stable outlook) to this issue of Bonds with the understanding that upon delivery of the Bonds, a municipal bond insurance policy insuring the payment when due of the principal of and interest on the Bonds will be issued by AG. Currently, AG’s financial strength is rated “AA” (stable outlook) by S&P. Moody’s Investor’s Service, Inc. (“Moody’s”) has assigned, to this issue of the Bonds, the School District an underlying rating of “A1”. This rating may be changed, suspended or withdrawn as a result in, or unavailability of, information.

The above ratings are not a recommendation to buy, sell or hold the Bonds, and such ratings may be subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of the above ratings may have an adverse effect on the market price of the Bonds.

UNDERWRITING

Raymond James & Associates, Inc., Lancaster, Pennsylvania (the “Underwriter”) subject to certain conditions, has purchased the Bonds from the School District at a purchase price of \$_____ (representing the par amount of the Bonds of \$_____, [plus/less] an original issue [premium/discount] of \$_____ less an underwriting discount of \$_____). The Underwriter’s obligations are subject to certain conditions precedent; however, the Underwriter will be obligated to purchase all such Bonds on the Delivery Date if any such Bonds are purchased. The Bonds may be offered and sold to certain dealers (including dealers depositing such bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the School District. The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the School District. The Underwriter and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future.

PAYING AGENT

Pursuant to the provisions of the Resolution, as paying agent and sinking fund depository, the Paying Agent has the limited duty of receiving payments from the School District, depositing such payments in a sinking fund and making payments to the owners of the Bonds of the principal of, interest on, and premium, if any, on the Bonds when due, but only to the extent such moneys have been received. As registrar and transfer agent, the Paying Agent has the limited duty of handling the registration and transfer of the Bonds. Accordingly, the Paying Agent performs ministerial duties not involving the exercise of discretion and assumes no fiduciary relationship with respect to the owners of the Bonds.

The Paying Agent may now or in the future have banking relationships with the School District which involve making loans to the School District; these loans may have a security feature which is different from that of the security feature associated with the Bonds. The Paying Agent may also serve as trustee or paying agent and sinking fund depository on other obligations issued by or on behalf of the School District.

CERTAIN OTHER MATTERS

All references to sections or language of the Debt Act, Act 1, the Bonds and the Resolution set forth in this Official Statement are made subject to all the detailed provisions thereof, to which reference is hereby made for further information, and this Official Statement does not purport to be complete statements of any or all such provisions.

All information, estimates and assumptions herein have been obtained from officials of the School District, other governmental bodies, trade and statistical services, and other sources, which we believe to be reliable; but no representations whatsoever are made that such estimates or assumptions are correct or will be realized. So far as any statements herein involve matters of opinion, whether or not expressly so stated, they are intended as such and not representations of fact.

The School District has authorized the distribution of this Official Statement.

WEST YORK AREA SCHOOL DISTRICT
York County, Pennsylvania

By: _____
President, Board of School Directors

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APPENDIX A

SUMMARIES OF OPERATING DATA REGARDING THE SCHOOL DISTRICT

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DESCRIPTION OF THE SCHOOL DISTRICT

Introduction

The West York Area School District (the “School District”) is located in central York County and encompasses approximately 21 square miles, comprised of the West York Borough and West Manchester Township, serving a population of approximately 24,300. Major urban centers are readily accessible as the School District is located approximately 90 miles west of Philadelphia, 50 miles north of Baltimore, 25 miles west of Lancaster and 25 miles south of Harrisburg, the State Capital.

The School District governed by a board of nine School Directors who are citizens of the School District and who are elected to serve four-year terms on a staggered basis. The daily operations and management of the School District are performed by a central administrative staff which is led by the Superintendent who is appointed by the Board of School Directors.

School Facilities

<u>School</u>	<u>Year Constructed</u>	<u>Additions/ Alterations</u>	<u>Grades</u>	<u>Rated Pupil Capacity</u>	<u>2024-25 Enrollment</u>
<u>Elementary:</u>					
Lincolnway	1950	2019	2-3	660	397
Norman A. Trimmer	1963	2019	4-5	780	435
Charles B. Wallace	1950	2014	K-1	250	439
<u>Secondary:</u>					
Middle School.....	2002	2018	6-8	521	635
Senior High School.....	1959	2014	9-12	1,187	793
Total School District.....					2,699

Source: School District Officials.

Pupil Enrollment

The present, current and projected enrollments within the School District are shown below:

<u>Year</u>	<u>Elementary</u>	<u>Secondary</u>	<u>Total</u>
2021-22	1,207	1,547	2,754
2022-23	1,259	1,448	2,707
2023-24	1,269	1,471	2,740
2024-25 (Current).....	1,262	1,428	2,690
2025-26 (Projected)	1,270	1,450	2,720

Source: School District Officials – October 1st “Enrollment Report” as filed with the Pennsylvania Department of Education.

SCHOOL DISTRICT FINANCES

Financial Reporting

The School District keeps its books and prepares its financial reports according to a modified accrual basis. Major accrual items are payroll taxes and pension fund contributions payable, loans receivable from other funds, and revenues receivable from other governmental units.

The School District’s financial statements are audited annually by a firm of independent certified public accountants, as required by State law. The firm of Kochenour, Earnest, Smyser & Burg, of York, Pennsylvania currently serves as the School District's auditor. The School District’s auditor has not been engaged to perform and has not performed since the date of its report, any procedures on the financial statements addressed in that report. Such auditor also has not performed any procedures relating to this official statement.

Budgeting Process in accordance with the Public School Code and Act 1 of 2006 (Taxpayer Relief Act)

In General. School districts budget and expend funds according to procedures mandated by the Pennsylvania Department of Education (“PDE”). An annual operating budget is prepared by school district administrative officials on a uniform form furnished by PDE and submitted to the board of school directors for approval prior to the beginning of the school districts’ fiscal year beginning on July 1.

Procedures for Adoption of the Annual Budget. Unless the Simplified Procedures described below are utilized, under Pennsylvania Act No. 1 of the Special Session of 2006, as amended by Act 25 of 2011 (together, the “Taxpayer Relief Act” or “Act 1”) all school districts of the first class A, second class, third class and fourth class must adopt a preliminary budget (which must include estimated revenues and expenditures and proposed tax rates) no later than 90 days prior to the date of the election preceding the next fiscal year. This preliminary budget must be printed and made available for public inspection at least 20 days prior to its adoption; the board of school directors may hold a public hearing on the budget; and the board must give at least 10 days prior public notice of its intent to adopt the preliminary budget prior to its adoption. The board of school directors shall print the final budget and make it available for public inspection at least 20 days prior to its adoption and shall give public notice of its intent to adopt the final budget at least 10 days prior to adoption, and may hold a public hearing prior to adoption. Guidance from PDE suggest that the preliminary budget be converted to a proposed budget adopted by the board of school directors at least 30 days prior to the adoption of the final budget as required by the Public School Code. The School District follows the requirements of Act 1 and the guidance of PDE pursuant to the requirements of the Public School Code.

If the adopted preliminary budget includes an increase in the rate of any tax levied, the school district must submit information on the increase to PDE on a uniform form furnished by PDE. Such information must be submitted no later than 85 days prior to the date of the election immediately preceding the school district’s next fiscal year. PDE compares the proposed percentage increase in the rate of any tax with an index established annually (see “**The Taxpayer Relief Act (Act 1)**” herein) and within 10 days of the receipt of the information but not later than 75 days prior to the date of the election immediately preceding the beginning of the school district’s next fiscal year, PDE informs the school district whether the proposed tax rate increase is less than or equal to the index. If PDE determines that the proposed percentage increase in the rate of the tax exceeds the index, PDE notifies the school district that: (1) the proposed tax increase must be reduced to an amount less than or equal to the index; or (2) the proposed tax increase must be approved by the electorate at the election immediately preceding the beginning of the school district’s next fiscal year; or (3) the School District seek approval to utilize one or more of the referendum exceptions authorized under the Taxpayer Relief Act.

With respect to the utilization of any of the Taxpayer Relief Act referendum exceptions for which PDE approval is required (see “**The Taxpayer Relief Act (Act 1)**” herein), the school district must publish notice of its intent to seek PDE approval not less than one week before submitting its request for approval to PDE and, if PDE determines to schedule a public hearing on the request, a notice of the date, time and place of such hearing. PDE is required by the Taxpayer Relief Act to rule on the school district’s request and inform the school district of its decision no later than 55 days prior to the upcoming election so that, if PDE denies the school district’s request, the school district may submit a referendum question to the local election officials at least 50 days before the upcoming election if it so chooses.

If a school district seeks voter approval to increase taxes at a rate higher than the applicable Index, whether or not it first seeks approval to utilize one of the referendum exceptions available under the Taxpayer Relief Act, and the referendum question is not approved by a majority of the voters voting on the question, the board of school directors may not approve an increase in the tax rate greater than the applicable Index.

Simplified Procedures in Certain Cases. The above budgetary procedures will not apply to a school district if the board of school directors adopts a resolution no later than 110 days prior to the election immediately preceding the upcoming fiscal year declaring that it will not increase any tax at a rate that exceeds the applicable Index and that a tax increase at or below the rate of the Index will be sufficient to balance its budget. In that case, the Taxpayer Relief Act requires that the school district comply with the procedures in Section 687 of the School Code for the adoption of its proposed and final budgets. Section 687 of the School Code requires that the school district adopt a proposed budget at least thirty (30) days prior to the adoption of the annual budget; that the proposed budget be made available for public inspection at least twenty (20) days prior to the date set for the adoption of the annual budget; and that action shall not be taken on the annual budget until after ten (10) days public notice. No referendum exceptions are available to a school district adoption such resolution.

Summary and Discussion of Financial Results

The below table presents a summary of the School District’s General Fund Financial Condition for Fiscal Years ending June 30, 2020 through June 30, 2024 and budgeted June 30, 2025. For more complete information, the individual financial statements and the 2024 Budget of the School District are available on the School District’s website or may be reviewed at the School District’s Business Office.

**WEST YORK AREA SCHOOL DISTRICT
General Fund Revenues, Expenditures and Fund Balances
(Fiscal Years Ending June 30)**

	ACTUAL					Budgeted
	2020	2021	2022	2023	2024	2025
Revenues						
Local Sources	\$43,144,645	\$43,043,591	\$43,950,869	\$44,873,698	\$45,819,055	\$47,305,888
State Sources	16,457,224	17,245,006	17,663,369	18,953,424	20,995,543	22,296,206
Federal Sources	<u>755,538</u>	<u>1,124,211</u>	<u>2,926,805</u>	<u>1,973,174</u>	<u>2,958,208</u>	<u>766,889</u>
Total Revenues	\$60,357,407	\$61,412,808	\$64,541,043	\$65,800,296	\$69,772,806	\$70,368,983
Expenditures						
Instruction	\$38,022,514	\$41,759,945	\$41,523,550	\$43,162,061	\$43,546,789	\$45,758,277
Support Services	18,709,417	19,428,559	18,152,394	19,430,588	21,011,371	21,989,204
Operation of Non-Instructional Services ..	863,141	886,583	930,116	1,078,607	1,105,154	1,216,874
Facilities Acquisition, Construction and Improvement Serv.	0	21,679	0	0	167,925	0
Debt Service (P&I)	1,252,042	4,488,503	4,616,593	4,863,378	5002457	5,529,026
Budgetary Reserve.....	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>125,000</u>
Total Expenditures	\$58,847,114	\$66,585,269	\$65,222,653	\$68,534,634	\$70,833,696	\$74,618,381
Other Financing Sources (Uses)						
Interfund Transfers out	(\$5,973,524)	\$0	\$0	\$0	(\$8,984)	\$0
Interfund Transfers in	0	0	0	0	0	0
Sale of Capital Assets	0	281,782	12,295	7,300	0	0
Refund of Prior Years Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,440</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(\$5,973,524)</u>	<u>\$281,782</u>	<u>\$12,295</u>	<u>\$21,740</u>	<u>(\$8,984)</u>	<u>\$0</u>
Excess Expenditures Over (Under) Revenues	(\$4,463,231)	(\$4,890,679)	(\$669,315)	(\$2,712,598)	(\$1,069,874)	(\$4,249,398)
Beginning Fund Balance	<u>\$22,216,264</u>	<u>\$17,753,033</u>	<u>\$12,862,354</u>	<u>\$13,468,337</u>	<u>\$10,755,739</u>	
Prior Period Adjustment	0	0	605,983	0	0	
Extraordinary Items						
Gain from transition payment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Fund Balance June 30	<u>\$17,753,033</u>	<u>\$12,862,354</u>	<u>\$13,468,337</u>	<u>\$10,755,739</u>	<u>\$9,685,865</u>	

Source: School District Audits and Budget.

TAXING POWERS AND LIMITS

In General

Subject to certain limitations imposed by the Act 1 (more specifically described below), the School District is empowered by the School Code and other statutes to levy the following taxes:

1. An annual tax on all real property taxable for school purposes, not to exceed 25 mills on each dollar of assessed valuation, to be used for general school purposes.
2. An unlimited ad valorem tax on the property taxable for school purposes to provide funds:
 - a) for minimum salaries and increments of the teaching and supervisory staff;
 - b) to pay rentals due any municipality authority or non-profit corporation or due the State Public School Building Authority;
 - c) *to pay interest and principal on any indebtedness incurred pursuant to the Local Government Unit Debt Act, or any prior or subsequent act governing the incurrence of indebtedness of the School District; and*
 - d) to pay for the amortization of a bond or note issue which provided a school building prior to the first Monday of July 1959.
3. An annual per capita tax on each resident over 18 years of age of not more than \$5.00.
4. Additional taxes subject to division with other political subdivisions authorized to levy similar taxes on the same person, subject, business, transaction or privilege, under Act No. 511, enacted December 31, 1965, as amended (“The Local Tax Enabling Act”). These taxes, which may include, among others, a per capita tax, an earned income and net profits tax, a real estate transfer tax, a gross receipts tax, a local services tax and an occupation tax, shall not exceed, in the aggregate, an amount equal to the product of the market valuation of real estate in the School District (as certified by the State Tax Equalization Board of the Commonwealth (“STEB”)/Tax Equalization Division (“TED”)) multiplied by twelve mills. All local taxing authorities are required by the Local Tax Enabling Act to exempt disabled veterans and members of the armed forces reserve who are called to active duty at any time during the tax year from any local services tax and to exempt from any local services tax levied at a rate in excess of \$10 those persons whose total income and net profits from all sources within the political subdivision is less than \$12,000 for the tax year. The Local Tax Enabling Act also authorizes, but does not require, taxing authorities to exempt from per capita, occupation, and earned income taxes and any local services tax levied at a rate of \$10 or less per year, any person whose total income from all sources is less than \$12,000 per year.

PENNSYLVANIA ACTS AFFECTING CERTAIN LOCAL TAXING POWERS OF SCHOOL DISTRICTS

Taxpayer Relief Act (Act 1)

The information set forth below is a partial summary of relevant sections of Act 1 and their impact. This summary is not intended to be an exhaustive discussion of the provisions of Act 1 nor intended to provide a legal interpretation of any provision of Act 1. A prospective purchaser of the Bonds should review the full text of Act 1 as a part of any decision to purchase the Bonds.

Under the Taxpayer Relief Act (Act 1), a school district may not levy any tax for the support of the public schools which was not levied in the previous fiscal year, raise the rate of any earned income and net profits tax if already imposed under the authority of the Local Tax Enabling Act, or increase the rate of any tax for school purposes by more than the Index (defined below), unless in each case either (a) such increase is approved by the voters in the school district at a public referendum or (b) one or more of the exceptions summarized below is applicable and the use of such exception is approved by PDE:

1. to pay interest and principal on indebtedness incurred (i) prior to September 4, 2004, in the case of a school district which had elected to become subject to the provisions of the prior Homeowner Tax Relief Act, Act 72 of 2004 (“Act 72”), or (ii) prior to June 27, 2006, in the case of a school district which had not elected to become subject to Act 72 (as in the case of the School District); (a) to pay interest and principal on any indebtedness approved by the voters at referendum (electoral debt); and (b) to pay interest and principal on debt refunding or refinancing debt for which one of the above exceptions is permitted, as long as the refunding or refinancing incurs no additional debt other than for costs and expenses related to the refunding or refinancing and the funding of appropriate debt service reserves;
2. to pay costs incurred in providing special education programs and services to students with disabilities, under specified circumstances;
3. To make payments into the State Public School Employees’ Retirement System when the increase in the estimated payments between the current year and the upcoming year is greater than the Index (as determined by PDE in accordance with the provisions of Act 1), subject to the limitation that the salary base used for calculating estimated payments is capped at the 2011-12 salary base level, per PDE Referendum Exception Guidelines.”

Any revenue derived from an increase in the rate of any tax allowed under the exception numbered 1 above may not exceed the anticipated dollar amount of the expenditure, and any revenue derived from an increase in the rate of any tax allowed pursuant to any other exception enumerated above may not exceed the rate increase required, as determined by PDE, as the case may be. If a school district’s petition or request to increase taxes by more than the Index pursuant to one or more of the allowable exceptions is not approved, the school district may submit the proposed tax increase to a referendum.

“Index” is defined in Act 1 as follows:

INDEX

1. Except as set forth in paragraph (2), the average of the percentage increase in the Statewide Average Weekly Wage and the Employment Cost Index.
2. For a school district with a market value/income aid ratio great than 0.400 for the school fiscal year prior to the school fiscal year for which the Index is calculated, the value under paragraph (1) multiplied by the sum of:
 - (i) 0.75; and
 - (ii) the school district’s market value/income aid ratio for the school fiscal year prior to the school fiscal year for which the Index is calculated.

“Statewide Average Weekly Wage” is defined in Act 1 as follows:

STATEWIDE AVERAGE WEEKLY WAGE

That amount determined by the Department of Labor and Industry in the same manner that it determines the average weekly wage under section 404(e)(2) of the Act of December 5, 1936 (2nd Sp. Sess., 1937 P.L. 2897, No. 1), known as the Unemployment Compensation Law, except that it shall be calculated for the preceding calendar year.

The Act 1 Index applicable to the School District for the next fiscal year, current fiscal year and prior four fiscal years is as follows:

<u>Fiscal Year</u>	<u>Index %</u>
2024-25	7.0
2023-24	5.3
2022-23	4.5
2021-22	3.9
2020-21	3.4

Source: Pennsylvania Department of Education website.

In accordance with Act 1, a board of school directors may submit, but is not required to submit, a referendum question to the voters in any future municipal election seeking approval to levy or increase the rate of an earned income tax (“EIT”) or impose a personal income tax (“PIT”) for the purpose of funding homestead and farmstead exclusions, but the proposed rate of the EIT or PIT shall not exceed the rate that is required to provide the maximum homestead and farmstead exclusions allowable under law. The referendum was not approved by a majority of the voters at the primary election.

Status of the Bonds Under the Taxpayer Relief Act (Act 1)

The debt service payable on the Bonds described in this Official Statement is not eligible for a specific exception to the Index limits of Act 1.

Limitations on School District Fund Balance

Set forth below is a summary of relevant sections of Act 48. This summary is not intended to be an exhaustive discussion of the provisions of Act 48 nor intended to provide a legal interpretation of any provisions of Act 48. A prospective purchaser of the Bonds should review the full text of Act 48 as a part of any decision to purchase the Bonds.

Pennsylvania Act No. 2003-48 (enacted December 23, 2003) prohibits a school district from increasing real property taxes unless the school district has adopted a budget for such school fiscal year that includes an estimated ending unreserved and undesignated fund balance which is not more than a specified percentage of the total budgeted expenditures, as set forth below:

Total Budgeted Expenditures:

Less than or equal to \$11,999,999	12.0%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11.0%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10.0%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9.0%
Between \$18,000,000 and \$18,999,999	8.5%
Greater than or equal to \$19,000,000	8.0%*

Estimated Ending Unreserved Undesignated Fund Balance as a Percentage of Total Budgeted Expenditures⁽¹⁾:

“Estimated ending unreserved, undesignated fund balance” is defined in Act 2003-48 as that portion of the fund balance which is appropriate for expenditure or not legally or otherwise segregated for a specific or tentative future use, projected for the close of the school year for which a school district’s budget was adopted and held in the general fund accounts of the school district.

*Applicable to the School District

⁽¹⁾Effective June 30, 2011, Governmental Accounting Standards Statement #54 adopted the term “Unassigned” to refer to general fund balances that would fall within the definition of “Unreserved and Undesignated Fund Balance” in the statute known as Act 48 of 2003.

TAX REVENUES OF THE SCHOOL DISTRICT

Tax Levies

2024-25 Real Estate and Non-Real Estate Tax Rates

<u>Municipality</u>	<u>Real Estate (Mills)</u>				<u>Total</u>
	<u>School District</u>	<u>Municipal</u>	<u>County</u>		
West Manchester Township.....	25.0716	1.75	6.9		33.7216
West York Borough.....	25.0716	14.75	6.9		46.7216

<u>Municipality</u>	<u>Local Services</u>		<u>Real Estate Transfer</u>		<u>Earned Income</u>	
	<u>Municipal</u>	<u>School</u>	<u>Municipal</u>	<u>School</u>	<u>Municipal</u>	<u>School</u>
West Manchester Township.....	\$52.00	\$0.00	0.5%	0.5%	0.5%	0.5%
West York Borough.....	52.00	0.00	0.5	0.5	0.5	0.5

Source: School District Officials

Real Estate Tax Collection Record

The School District's realty tax collection record for the current and previous five fiscal years ending June 30th, of the years shown below, is as follows:

<u>Fiscal Year</u>	<u>Adjusted Total Levy⁽¹⁾</u>	<u>Current Collections</u>	<u>Current Percent Collected</u>	<u>Total Collections⁽²⁾</u>	<u>Total Collections</u>	<u>Total Percent Collected</u>
2019-20	\$38,343,924	\$35,508,664	92.6%	\$ 703,674	\$36,212,338	94.4%
2020-21	37,974,758	36,205,119	95.3%	1,003,914	37,209,033	98.0%
2021-22	38,353,810	36,350,574	94.7%	769,360	37,119,934	96.8%
2022-23	38,260,069	36,027,842	94.1%	823,008	36,850,850	96.3%
2023-24	38,563,412	36,512,467	94.7%	631,623	37,144,090	96.3%

⁽¹⁾Includes portion of tax levy received from the state through the Homestead/Farmstead Exclusion program.

⁽²⁾Includes delinquent real estate collection.

Source: School District Officials.

Trends in Market and Assessed Valuations

The trend in market and assessed valuations of real estate in the School District is shown below:

<u>Tax Year</u>	<u>Market Value</u>	<u>Assessed Value</u>	<u>Ratio</u>
2019	\$1,621,894,341	\$1,569,302,258	96.76%
2020	1,764,542,144	1,659,912,510	94.07%
2021	1,654,817,582	1,569,921,926	94.87%
2022	1,737,854,959	1,557,263,906	89.61%
2023	1,797,380,785	1,604,266,687	89.26%

Source: Pennsylvania State Tax Equalization Board (STEB). Valuations are certified in June of the following year.

Ten Most Valuable Taxable Parcels in the School District

The following table represents the ten real estate parcels having the highest assessed values in the School District. These taxpayers represent approximately 9.37% of the School District’s total most recent assessed value.

<u>Taxpayer</u>	<u>Taxable Aggregate Assessed Valuation</u>
DELCO Plaza I LP	\$27,509,680
NM-Target Distr. Ctr. P/O LLC	25,495,030
CS West Manchester LLC	23,292,370
ARC DBPGDRY001 LLC	22,293,740
Agree PA Properties LLC	9,581,430
Greens at Westgate Apart PA	9,220,310
United Defense L P AKA BAE Systems	9,124,210
York County Agricultural	8,515,095
PLD USLF York DC LLC	7,700,000
Magnesita Refractories Co.	<u>7,600,000</u>
Totals	<u>\$150,331,865</u>

Source: County Assessment Office

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COMMONWEALTH AID TO SCHOOL DISTRICTS

Pennsylvania school districts receive financial assistance from the Commonwealth in a number of forms, all subject to statutory provisions and annual appropriation by the Pennsylvania General Assembly.

Basic education funding is allocated to all school districts in an amount equal to: (1) a fixed sum equal to the school district's Fiscal Year 2014-15 basic educational funding; plus (2) an additional increment determined annually pursuant to statutory formula which adjusts a school district's average daily membership by a number of factors specific to the composition of the student population as well as the school district's median household income, local tax effort and capacity to generate local revenue. The additional increment as calculated above for any individual school district may be zero.

Information concerning the calculation of the School District's basic education funding can be found on the Pennsylvania Department of Education's website at <https://www.education.pa.gov>.

School districts also receive subsidies for special education, pupil transportation, career and technical education and health services, among other things.

Lack of Commonwealth Appropriations for Debt Service Reimbursement

Commonwealth law presently provides that the School District will receive reimbursement from the Commonwealth for a portion of the debt service on some or all of the School District's outstanding bonds after said bonds have received final approval from the Department of Education (see **"DEBT STATEMENT AND DEBT LIMITS"** herein). Commonwealth reimbursement is based on the "Reimbursable Percentage" assigned to the Bonds and the School District's Aid Ratio or CARF, whichever is higher. The School District's CARF is currently higher at 56.02%. The Reimbursable Percentage is determined through a process known as the "Planning and Construction Workbook" or "PlanCon". In future years, this percentage may change as the School District's MVAR changes, or as a result of future legislation regarding changes to, or even elimination of, the PlanCon program.

In May of 2016, the Commonwealth enacted appropriation legislation known as Act 25 ("Act 25"), which contains authorization for the Commonwealth Finance Authority ("CFA") to issue up to \$2.5 billion of debt to fund PlanCon reimbursements to school districts. Act 25 also instituted a moratorium on new projects entering the PlanCon process while an advisory committee established under Act 25 considers amendments to the PlanCon reimbursement program. This moratorium went into effect on May 15, 2016 and expired on June 30, 2017. On November 6, 2017, House Bill 178 became law without the signature of the Governor and became known as Act 55 of 2017. Contained in Act 55 of 2017 was an extension of the PlanCon moratorium through the end of the 2017-18 fiscal year and a retroactive effective date of July 1, 2017. Subsequently, the Commonwealth enacted Act 42 of 2018, which permitted PlanCon applications submitted between July 1, 2017 and November 6, 2017, and whose school district votes to proceed with construction and award bids on their construction contracts no later than July 1, 2021, to receive PlanCon funding as permitted by law, if made available by the Commonwealth. On June 22, 2018, the Governor approved and signed House Bill 1448, known as Act 39 of 2018, extending the PlanCon moratorium through the end of the 2018-2019 fiscal year. On June 28, 2019, the Governor approved and signed House Bill 1615, known as Act 16 of 2019, that included a continuation of the moratorium on new PlanCon Part A submittals through the end of the 2019-20 fiscal year. Act 30 of 2020 extended the moratorium on new PlanCon Part A submittals through the end of the 2020-21 fiscal year. On June 30, 2021, the Governor approved and signed Senate Bill 381 known as School Code or Act 26 of 2021, which extended the moratorium on new PlanCon Part A submittals through the end of the 2021-2022 fiscal year.

To date, the CFA has issued \$1,903,065,000, to provide for PlanCon reimbursements owed to school districts, consisting of the issuance of its Revenue Bonds, Series A of 2016 (Federally Taxable) in the principal amount of \$758,185,000 issued on October 31, 2016 and its Revenue Bonds, Series of 2019 (Federally Taxable) in the total amount of \$412,520,000 issued on January 18, 2018, its Revenue Bonds (Federally Taxable), Series A of 2019 in the total amount of \$388,975,000 issued on May 9, 2019, as well as its Revenue Bonds (Federally Taxable), Series A of 2021 in the total amount of \$343,385,000 issued on June 23, 2021. It is expected that proceeds of these issues will be used to provide PlanCon reimbursement to the School District for the current and future fiscal years. However, the School District cannot be certain that any future PlanCon reimbursement will be received by PDE as the ability for CFA to issue additional bonds in the future to fund future PlanCon reimbursements owed to school districts may impact the availability of PlanCon reimbursements payable to the School District. Any failure by the Commonwealth to adopt a timely budget and enact necessary spending authorizations could have a material adverse effect upon the School District's anticipated receipt of PlanCon reimbursements.

Act 70 of 2019 was adopted by the State legislature that has modified the PlanCon process. The Act states that on July 1, 2020, a new PlanCon system will go online. However, the legislation does not include any funding nor does it state when the Commonwealth would start to allow applicants to enter into the new program. There is a moratorium for the new PlanCon program, which still remains in place.

There can be no assurances that the School District will be able to successfully apply for, be awarded, and receive sufficient PlanCon reimbursement for the costs of any current or future projects of the School District. A failure by the School District to receive such reimbursement could force the School District to apply other available funds, if any, toward the completion costs of the Project and may have a material adverse effect on the financial resources of the School District to fund other obligations, including payment of debt service on the Bonds.

DEBT STATEMENT AND DEBT LIMITS

Residents of the School District are responsible for the following debt within the School District, the municipalities within the School District and the County following the settlement of the Bonds. The School District has never defaulted on the payment of debt service.

<u>DIRECT DEBT</u>	Gross	Project	Effective	State	Local
<u>NONELECTORAL DEBT</u>	<u>Outstanding</u>	<u>Reimbursable</u>	<u>Reimbursement</u>	<u>Share</u>	<u>Share</u>
<u>Issue Type</u>		Percent (%)			
General Obligation Bonds, Series of 2025	\$15,000,000	0.00%	0.00%	\$0	\$15,000,000
General Obligation Bonds, Series of 2023	9,990,000	0.00%	0.00%	0	9,990,000
General Obligation Notes, Series of 2020 (TD Bank Loan)	27,375,000	24.41%	13.67%	3,743,389	23,631,611
Total Principal of Nonelectoral Debt	<u>\$52,365,000</u>			<u>\$3,743,389</u>	<u>\$33,621,611</u>
<u>LEASE RENTAL DEBT</u>					
Total Principal of Lease Rental Debt	\$ 0				
TOTAL DIRECT DEBT	<u>\$52,365,000</u>				
<u>OVERLAPPING DEBT</u>					
Component Municipalities Debt	\$277,453				
York County	15,053,529				
Total Principal of Overlapping Debt	<u>\$15,330,982</u>				
 TOTAL DIRECT AND OVERLAPPING DEBT	 \$67,695,982				
<u>DEBT RATIOS OF DIRECT DEBT</u>					
Market Valuation of Real Estate	2.91%				
Assessed Valuation of Real Estate	3.26%				
Per Capita (2020 Population)	2,112				
<u>DEBT RATIOS OF DIRECT DEBT AND OVERLAPPING DEBT</u>					
Market Valuation of Real Estate	3.77%				
Assessed Valuation of Real Estate	4.22%				
Per Capita (2020 Population)	2,730				
<u>FINANCIAL FACTORS OF THE SCHOOL DISTRICT</u>					
Market Value	\$1,797,380,785				
Assessed Value	\$1,604,266,687				
Population (2020)	24,796				

⁽¹⁾Gives effect to current appropriations for payment of debt service and expected future State Reimbursement of School District sinking fund payments based on current Aid Ratio. See “Commonwealth Aid to School Districts” herein.
⁽²⁾School District’s pro rata 5.87% share of the County’s \$256,488,596 principal amount outstanding.

Source: Department of Community and Economic Development (“DCED”) website.

FUTURE FINANCING

The School District does anticipate issuing additional \$10-\$15 million of long-term debt to fund its capital improvement plan in the next 2 years.

**BORROWING CAPACITY
(Under Local Government Unit Debt Act)**

The legal borrowing capacity of the School District is calculated in accordance with the Debt Act, which describes the applicable debt limits for local government units (entities with taxing powers), including school districts and municipalities. Under the Debt Act, the School District may incur electoral debt, which is debt that is approved by a majority of the School District's voters at either a general or special election, in an unlimited amount. Net nonelectoral debt, or debt not approved by the School District's electorate, net of state aid, may not exceed 225% of the School District's "Borrowing Base", as defined in the Debt Act. The Bonds constitute nonelectoral debt under the Debt Act. The Borrowing Base is calculated as the annual arithmetic average of Total Revenues (as defined in the Debt Act), for the three full fiscal years next preceding the date of incurring debt. Combined net nonelectoral debt and net lease rental debt (debt represented by capital leases and similar agreements relating to debt payments), net of approved state aid, incurred on behalf of the School District may not exceed 225% of the School District's Borrowing Base. The Borrowing Base and borrowing capacity of the School District are as follows:

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Total General Fund Revenues	\$64,541,043	\$65,800,296	\$69,772,806
<u>Less: Required Deductions</u>			
a. Rental and Sinking Fund Reimbursement	671,929	629,292	671,365
b. Revenues for Self-Liquidating Debt	0	0	0
c. Refunds from Prior Year Expenditures	0	0	0
d. Grant and Gifts for Capital Projects	0	0	0
e. Sale of Equipment and Non-Recurring Items (i.e., insurance recoveries)	0	0	0
Total Deductions	<u>\$ 671,929</u>	<u>\$ 629,292</u>	<u>\$ 671,365</u>
Total Revenues	<u>\$ 63,869,114</u>	<u>\$ 65,171,004</u>	<u>\$ 69,101,441</u>
Total Net Revenues for Three Years		\$ 198,141,559	
Borrowing Base - Average Net Revenues for Three-Year Period		\$ 66,047,186	
<u>Computation of Borrowing Capacity</u>			
Debt Limitation - 225% OF Borrowing Base		\$ 148,606,169	
Less: Net Non-Electoral and Lease Rental Debt		\$ 52,365,000	
Current Non-Electoral and Lease Rental Borrowing Capacity		\$ 96,241,169	

LABOR RELATIONS

Employees and Labor Contracts

The School District employs approximately 368 full-time and 44 part-time employees. The teaching staff currently consists of 235 professionals. Teachers in the School District are members of the Pennsylvania State Education Association ("PSEA") and the West York Area Education Association ("WYAEA") which is the representative bargaining unit. The current collective bargaining agreement between the School District and its professional employees, represented by the West York Area Education Association, extends until June 30, 2028. Relations between the School District and Association have been good.

Pension Program

Currently, all Pennsylvania school districts and intermediate units participate in a pension program administrated by the Commonwealth. The program is formally known as the Public School Employees' Retirement System ("PSERS"), and a percentage of each eligible employee's salary is contributed by the employee, the School District and the Commonwealth. All full-time employees, part-time employees salaried over eighty days per year and hourly employees with over five hundred hours per year participate in the program.

Contributions are required by active members, School Districts, and the Commonwealth of Pennsylvania as established by the Public School Employees' Retirement Code. Members who enrolled prior to January 1, 2002, range from 5.28% to 7.5% of compensation, depending upon the date of commencement of employment and elections made by each employee member. Members who enrolled in the pension plan on or after January 1, 2002 and before July 1, 2011 is 7.5% of compensation. The contribution rate for PSERS members who enrolled on or after July 1, 2011 is 7.5% or 10.3%, depending upon elections made by each employee member. On December 16, 2022, the PSERS Board certified the employer rate, to be paid by the School District, of 34% for the 2023-24 fiscal year. According to Act 120 of 2010 the employer contribution rate is suppressed for future years by using rate caps to keep the rate from rising too high, too fast.

The Commonwealth will reimburse the School District at the rate of 50% of its total contributions with respect to all employees who were hired prior to July 1, 1994. With respect to employees hired after July 1, 1994, and who were not previously employed by another public school system in the Commonwealth, the School District will be reimbursed by the Commonwealth at the rate of the higher of 50% of contributions made by the School District or the current Market Value/Personal Income Aid Ratio. The School District is reimbursed on a quarterly basis.

Under Act 5 of 2017 (“Act 5”) PSERS transitioned from a traditional defined benefit system and begin to offer defined contribution plans as well. Beginning July 1, 2019, in addition to other transaction rules and options based on members’ classifications, certain classes of active members may choose to switch from the current defined benefit plan to one of three new retirement benefit plan options which will be available. Additionally, all active members newly hired on or after July 1, 2019, will be required to select one of those three new retirement benefit plan options and will not be eligible to participate in the current defined benefit plan. The three new plans consist of two hybrid plans, with defined benefit and defined contribution components, along with a stand-alone defined contribution plan.

In addition to its comprehensive change in available plans for active members, Act 5 also made certain changes to the PSERS Board of Trustees and administrative protocols and created the Public Pension Management and Asset Investment Review Commission to study and make recommendations to the General Assembly and the Governor regarding investment performance and strategies.

According to the Independent Fiscal Office, Act 5 is not expected to reduce school district and state contributions to PSERS over the first fifteen years. However, beginning in fiscal 2034-35 through fiscal 2049-50, employer contribution rates are expected to begin to decline due to the lower long-term employer costs of the new benefit plans and will be lower, in the aggregate, over the study period. Both the School District and the Commonwealth are responsible for paying a portion of the employer’s share. School entities are responsible for paying 100% of the employer share of contributions to PSERS. The Commonwealth reimburses the employer for one-half the payment for employees. The School District contributions are made on a quarterly basis and employee contributions are deducted bi-weekly for each paycheck and remitted monthly. Recent School District payments, net of reimbursement, have been as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2020-21	\$8,026,318
2021-22	8,034,112
2022-23	8,706,561
2023-24	9,201,930
2024-25 (Budgeted)	9,737,722

On June 30, 2024, the School District reported a liability of \$75,271,000 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 PSERS' total pension liability as of June 30, 2022 to June 30, 2023. The School District's proportion of the net pension liability was calculated utilizing the employer's one-year reported contributions as it relates to the PSERS' one-year reported contributions. This method was changed beginning with the System’s fiscal year ended June 30, 2020. In prior years, the proportion of the PSERS net pension liability was calculated utilizing the School District’s one-year reported covered payroll as it related to PSERS’ total one-year report covered payroll. On June 30, 2024 (measurement date), the School District's proportion was 0.1692%, which was an increase of 0.0091% from its proportion measured as of June 30, 2023 which was 0.1562%.

As of June 30, 2023, the PSERS plan was 61.6% funded, with an unfunded actuarial accrued liability of approximately \$44.0 billion. PSERS’ rate of return for fiscal year ended June 30, 2023, was 3.54%. The Fund had plan net assets of \$72.8 billion on June 30, 2023. For more information, visit the PSERS website at www.psers.pa.gov, which is not incorporated by specific reference into this Official Statement.

Source: School District Audit and PSERS

Other Post-Employment Benefits (“OPEB”)

The School District provides certain health care and life insurance benefits for its retirees (commonly referred to as “other post-employment benefits” or “OPEB”). Effective for the 2008-2009 fiscal year, the District adhered to Governmental Accounting Standards Board Statement No. 45, (“GASB 45”) "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions," for certain post-employment healthcare benefits and life insurance benefits provided by the District. As of June 2017, GASB 45 has been eliminated and replaced with a new standard, Governmental Accounting Standards Board Statement No. 75 (“GASB 75”). GASB 75 replaces the requirements of GASB 45 and establishes new accounting and financial reporting requirements. The School District funds the PSERS cost sharing, multiple-employer OPEB plan through contractually required contribution rates. No assurances can be given that the District’s future OPEB obligations will not have a material impact on the District’s ability to pay its debts, including the Bonds.

For a full description of the pension and OPEB plans, please refer to Appendix E – Audited Financial Statements.

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APPENDIX B

LOCAL DEMOGRAPHIC AND STATISTICAL; AND ECONOMIC INFORMATION

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DEMOGRAPHIC AND STATISTICAL INFORMATION

Population

	<u>2020</u>	<u>2010</u>
<i>School District</i>	24,796	23,511
York County	456,438	434,972
Pennsylvania	12,794,885	12,702,379

Source: U.S. Bureau of Census.

**Age Composition
(2020 5-year estimates)**

	<u>Percent Under 18</u>	<u>Percent 65 and Over</u>
<i>School District</i>	28.7	9.2
York County	24.6	13.5
Pennsylvania	20.7	18.3

Source: U.S. Bureau of Census.

**Income
(2020 5-year estimates)**

	<u>Median Household</u>	<u>Per Capita</u>	<u>Persons in Poverty</u>
York County	\$80,130	35,623	9.2%
Pennsylvania	63,627	35,518	10.9

Source: U.S. Bureau of Census.

**Housing Characteristics
(2020 5-year estimates)**

	<u>Housing Units</u>	<u>% Owner-Occupied</u>	<u>Households</u>	<u>Persons Per Household</u>
York County	189,822	75.1	176,428	2.53
Pennsylvania	5,815,392	69.2	5,147,783	2.44

Source: U.S. Bureau of Census.

Transportation

The School District is strategically located, which provides its industries with convenient access to the major market areas and ports in the eastern United States. The Pennsylvania Turnpike traverses the extreme northern tip of York County east to west, and Interstate Highway 83 runs north to south close to the City through the central part of the County. U.S. Route 30 runs through the School District connecting eastern and western Pennsylvania.

Community Transit provides service to the City of York and its immediate environs. Rail service in York County is provided by Conrail on the lines of the former Reading, Penn-Central, and Western Maryland Railroads and by the Maryland and Pennsylvania Railroad. York County is served by four general service commercial airports, one of which is within a few miles of the City of York. The City of York is also served by a heliport, and intercity bus service is provided by Greyhound lines.

The diverse nature of the area's industry and the concomitant need for export-import outlets has required support from the motor carrier industry within the area. Therefore, the York area is serviced by forty-one motor freight carriers which provide daily service to the area.

Utilities

The York area is served by three major electric power and light companies: Adams Electric Cooperative, Inc., Metropolitan Edison and Philadelphia Electric Company. Major gas companies include Columbia Gas of Pennsylvania, Inc., Agway petroleum, and UGITE LP Gas Service. Telephone service is provided by General Telephone Company of Pennsylvania. Water services are supplied by the York Water Company while the City of York operates a sewage disposal and treatment plant.

Higher Education

Located within York County are York College, a private college and a branch campus of the Pennsylvania State University. In addition, the region is endowed with a number of other institutions of higher learning, including the Pennsylvania State University Hershey Medical Center, Pennsylvania State University Capital Campus, Dickinson College, Harrisburg Area Community College and Dickenson Law School in the Harrisburg-Carlisle-Lebanon Metropolitan Area and Elizabethtown College, Messiah College, Lebanon Valley College and Shippensburg State College in other portions of the region. All of the aforementioned institutions lie within a fifty-mile radius of the School District.

Medical Facilities

York County is served by Memorial Hospital and York Hospital, both are located in York. York Hospital is recognized as a teaching hospital offering courses through allied health education; and dental and medical education in the form of residency and internship. School District residents are also within commuting distance of the Hanover General Hospital, located in Hanover.

ECONOMIC INFORMATION

Ten Largest Employers in York County

Company

York Hospital
Federal Government
Amazon.com Services Inc.
WellSpan Health
WellSpan Medical Group
Wal-Mart Associates Inc.
York County
Giant Food Stores LLC
BAE Systems Land & Amaments LP
Kinsley Construction LLC
Harley-Davidson Motor Company Inc.

Source: Department of Labor a& Industry, Center for Workforce Information and Analysis – Labor & Industry (L & I), 3rd Quarter, 2024.

YORK-HANOVER METROPOLITAN STATISTICAL AREA

(York County)

TOTAL CIVILIAN LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT, AND UNEMPLOYMENT RATE BY PLACE OF RESIDENCE

TIME PERIOD	CIVILIAN LABOR FORCE	EMPLOY- MENT	UNEMPLOY- MENT	RATE (%)	SEASONALLY ADJUSTED ⁽¹⁾			
					LABOR FORCE	EMPLOY- MENT	UNEMPLOY- MENT	RATE (%)
January 2025	237,000	227,900	9,100	3.8	(1)			
December 2024	235,200	228,300	7,000	3.0				
November	236,500	229,300	7,200	3.0				
January 2024	241,500	234,300	7,200	3.0				

⁽¹⁾Due to methodological changes and conversions to the 2020 Census-based area delineations, seasonally adjusted substate area LAUS data is not available until further notice.

Source: Center for Workforce Information & Analysis (CWIA), Pennsylvania Department of Labor & Industry.

Classification of Employment by Industry

YORK-HANOVER METROPOLITAN STATISTICAL AREA						
(York County)						
January 2025						
NONFARM JOBS - NOT SEASONALLY ADJUSTED						
ESTABLISHMENT DATA	Industry Employment				Net Change From:	
	Jan 2025	Dec 2024	Nov 2024	Jan 2024	Dec 2024	Jan 2024
TOTAL NONFARM	192,600	195,800	195,300	192,100	-3,200	500
TOTAL PRIVATE	172,900	176,200	175,600	172,800	-3,300	100
GOODS-PRODUCING	44,400	45,000	45,200	44,800	-600	-400
Mining, Logging, and Construction	11,900	12,400	12,600	11,900	-500	0
Manufacturing	32,500	32,600	32,600	32,900	-100	-400
SERVICE-PROVIDING	148,200	150,800	150,100	147,300	-2,600	900
PRIVATE SERVICE-PROVIDING	128,500	131,200	130,400	128,000	-2,700	500
Trade, Transportation, and Utilities	43,900	45,100	44,800	43,400	-1,200	500
Wholesale Trade	7,400	7,500	7,500	7,100	-100	300
Retail Trade	20,100	20,600	20,400	20,200	-500	-100
Grocery and convenience retailers	4,200	4,300	4,300	4,100	-100	100
General merchandise retailers	4,600	4,900	4,800	4,600	-300	0
Transportation, Warehousing, and Utilities	16,400	17,000	16,900	16,100	-600	300
Information	1,000	1,000	1,000	1,100	0	-100
Financial Activities	6,100	6,200	6,100	6,000	-100	100
Professional and Business Services	22,000	22,500	22,600	22,200	-500	-200
Education and Health Services	30,800	31,300	30,900	29,800	-500	1,000
Health care and social assistance	28,100	28,200	28,100	27,600	-100	500
Leisure and Hospitality	15,000	15,400	15,300	15,500	-400	-500
Other Services	9,700	9,700	9,700	10,000	0	-300
Government	19,700	19,600	19,700	19,300	100	400
Federal Government	4,400	4,300	4,400	4,300	100	100
State Government	1,100	1,100	1,100	1,000	0	100
Local Government	14,200	14,200	14,200	14,000	0	200
Data benchmarked to March 2024	***Data changes of 100 may be due to rounding***					

Source: Center for Workforce Information & Analysis (CWIA), Pennsylvania Department of Labor & Industry.

APPENDIX C
FORM OF OPINION OF BOND COUNSEL

DRAFT

West York Area School District
YORK COUNTY, PENNSYLVANIA
\$ _____ **GENERAL OBLIGATION BONDS, SERIES OF 2025**

OPINION

We have acted as Bond Counsel in connection with the issuance by the West York Area School District, York County, Pennsylvania (the "School District"), of the \$ _____ General Obligation Bonds, Series of 2025 dated _____, 2025 (the "Bonds").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bonds are issued in accordance and in compliance with the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as codified by the Act of December 19, 1996 (53 Pa. Cons. Stat. Chs. 80-82), ("the Act"), without the assent of the electors, and pursuant to a resolution adopted by the Board of School Directors of the School District on November 14, 2023.

2. The Bonds are a valid and binding obligation of the School District.

3. The School District has established with the Paying Agent, as Sinking Fund Depository, a sinking fund in which it has covenanted to deposit amounts sufficient to pay the principal of and interest on the Bonds as the same become due and payable and, to the extent required, to apply such amounts to such purposes.

4. The School District has further covenanted that, subject to statutory restrictions and limitations, it will include in its budget for each fiscal year in which the Bonds are outstanding, and will appropriate in each such fiscal year, the amount of the debt service on the Bonds for such year, that it will duly and punctually pay or cause to be paid, the principal of and interest on the Bonds at the dates and place and in the manner stated on the Bonds; and for such budgeting, appropriation and payment, the School District has irrevocably pledged its full faith, credit and taxing power. For purposes of such payments, the School District has covenanted that it will exercise its ad valorem taxing power, within limitations provided by law, upon all taxable property within the School District. The Bonds are additionally secured by the "state aid intercept" provisions of Section 633 of the Public School Code of 1949, as amended by Act 150 of 1975.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the School District comply with all requirements of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder, that must be satisfied subsequent to the issuance of the Bonds, in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The School District has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive

to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. Under the laws of the Commonwealth of Pennsylvania as presently enacted and construed, the Bonds and the interest thereon will be free from taxation for state and local purposes within the Commonwealth of Pennsylvania, but this exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied or assessed directly on the Bonds or the interest thereon. Under the laws of the Commonwealth, profits, gains or income derived from the sale, exchange or other disposition of certain government obligations, including the Bonds, may be subject to state and local taxation within the Commonwealth of Pennsylvania.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

Very truly yours,

Saxton & Stump, LLC

_____, 2025

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

DRAFT

WEST YORK AREA SCHOOL DISTRICT YORK COUNTY, PENNSYLVANIA

\$ _____ GENERAL OBLIGATION BONDS, SERIES OF 2025
DATED, ISSUED AND DELIVERED _____, 2025

CONTINUING DISCLOSURE AGREEMENT

This agreement (the "Agreement") is executed as one of the closing documents for the \$ _____ General Obligation Bonds, Series of 2025 (the "Bonds") in accordance with the provisions of Rule 15c2-12, as amended (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934.

The undersigned are officers of the Board of School Directors of West York Area School District (the "School District"), a Pennsylvania governmental unit, and hereby certify on behalf of the School District as follows:

Section 1. Undertaking to file current information with MSRB. The School District agrees, in accordance with the Rule, to provide or cause to be provided, to the Municipal Securities Rulemaking Board ("MSRB") as designated by the Commission in accordance with the Rule, the following annual financial information and operating data commencing with the fiscal year ended June 30, 2024:

a. A copy of its budget and audited financial statements, prepared in accordance with the guidelines adopted by the Governmental Accounting Standard Board and the American Institute of Certified Public Accountants' Audit Guide, Audits of State and Local Government, containing the:

- (i) Combined balance sheet of all fund types and account groups; and
- (ii) Combined statement of revenues, expenditures and changes in fund balances - all governmental fund types and expendable trust funds.

b. An update of the tabular information of the type contained on pages A-6 and A-7 in Appendix A of the Official Statement for the Bonds dated _____ under the following subheadings under "TAX REVENUES OF THE SCHOOL DISTRICT":

- (i) "Tax Levies";
- (ii) "Real Estate Tax Collection Record";
- (iii) "Trends in Market and Assessed Valuations"; and
- (iv) "Ten Most Valuable Taxable Parcels in the School District"

Any or all of the items listed above may also be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Section 2. Modification of types of information and format of information permitted. The School District reserves the right to modify from time to time the specific types of information provided, the time period within which the information must be filed, the format of the presentation of such information, or any other requirements hereunder, in its sole discretion, so long as such modification or amendment would have been allowed under the Rule at the time of the undertaking. Any such modification will be done in a manner consistent with the Rule at the time of the undertaking, and will not substantially impair the interest of the holders of the Bonds.

Section 3. Time period within which annual information must be filed. The annual information and operating data described above in Section 1 must be provided by March 26th following the end of each prior fiscal year, commencing with the fiscal year ending June 30, 2024. Such information shall be made available, in addition to the MSRB, to the Paying Agent for the Bonds and to each holder of Bonds who makes request for such information. In the event that no such audited financial statement is available by March 26th following the close of the prior fiscal year, the School District shall provide an unaudited statement, and shall thereafter provide an audited financial statement for the same period as soon as available. Upon receipt of the audited financial statement, the School District will promptly file it.

Section 4. Notice of failure to comply with annual information updates. The School District agrees to provide or cause to be provided, in a timely manner, to the Paying Agent for the Bonds, and to the MSRB, notice of a failure by the School District to provide the annual financial information described in Section 1 above on or prior to the date set forth in Section 3 above.

Section 5. Event disclosure. The School District agrees to provide or cause to be provided to the MSRB, in a timely manner, not to exceed ten (10) days after occurrence, notice of the occurrence of any of the following events with respect to the Bonds:

- a. Principal and interest payment delinquencies;
- b. Non-payment related defaults, if material;
- c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- d. Unscheduled draws on credit enhancements reflecting financial difficulties;
- e. Substitution of any credit or liquidity providers, or their failure to perform;
- f. Adverse tax opinions, IRS notices or material events affecting the tax status of the Bonds;
- g. Modifications to rights of holders of the Bonds, if material;

- h. Bond calls, if material, and tender offers;
- i. Defeasances;
- j. Release, substitution, or sale of property securing repayment of the Bonds, if material;
- k. Rating changes;
- l. Bankruptcy, insolvency, receivership or similar event of the School District (which is considered to occur when any of the following occur: appointment of a receiver, fiscal agent or similar officer for the School District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the School District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of any order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the School District);
- m. Merger, consolidation or acquisition involving the School District, if material; or
- n. Appointment of successor or additional trustee or the change of name of a trustee, if material.
- o. Incurrence of a financial obligation of the School District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the School District, any of which affect security holders, if material; and
- p. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the School District, any of which reflect financial difficulties.

For purposes of this Section, the term financial obligation shall mean a (i) debt obligation; (ii) derivative instrument entered onto in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The School District may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if, in the judgment of the School District, such other event is material with respect to the Bonds, but the School District does not commit to provide any such notice of the occurrence of any material event except those events listed above.

Section 6. Termination of reporting obligation. The School District's obligations under this Agreement shall terminate upon the redemption or payment in full of all of the Bonds.

Section 7. **Enforcement.** The School District agrees that its undertakings pursuant to this Agreement are intended to be for the benefit of the holders of the Bonds (including beneficial owners thereof) and shall be enforceable by the holders of the Bonds or the Paying Agent for the Bonds on behalf of such holders; provided that the holders of the Bonds, or in lieu thereof, the Paying Agent's right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the School District's obligations hereunder, and any failure by the School District to comply with the provisions of this undertaking shall not be an event of default, with respect to the Bonds.

Section 8. **Amendment; waiver.** Notwithstanding any other provision of this Agreement, the School District may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of Bond Counsel, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

IN WITNESS WHEREOF, the undersigned officers of the School District, being duly authorized, have executed this certificate in the name of and on behalf of the School District and in our own names and on our own behalf, the day and year of the issuance and delivery of the Bonds set forth above.

West York Area School District

By: _____
(Vice) President

Attest: _____
Secretary

(SEAL)

APPENDIX E
AUDITED FINANCIAL STATEMENTS

WEST YORK AREA SCHOOL DISTRICT
INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2024

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED June 30, 2024**

The discussion and analysis of West York Area School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

The Management Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2024 are as follows:

- In total, net assets of the district totaled (\$9.2) million, an increase of \$1.6 million. Net assets of governmental activities increase \$2.0 million. Business-type activities showed slight increase of net assets.
- Revenues totaled \$70.0 million. General revenues accounted for \$37.3 million in revenue or 53.3 percent of total revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions accounted for \$9.4 million or 13 percent of total revenues.
- Total assets of governmental activities decrease by \$1.8 million. Taxes receivable increased by \$500 thousand.
- The School District had \$71.9 million in expenses related to governmental activities; \$15.2 million of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$60.7 million and unassigned fund balance were adequate to provide for these programs.
- Among major funds, the general fund had \$70.1 million in revenues and \$71.9 million in expenditures. Expenses exceeded revenues by \$1.8 million.
- Net assets for proprietary funds increased by about \$2.1 million.
- The School District increased its real estate millage to a rate of 25.0716 for the July 2024 tax levy.

USING THE ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand West York Area School District as a financial whole.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the entire School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

WEST YORK AREA SCHOOL DISTRICT
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**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

For governmental funds, these statements tell how the services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of West York Area School District, the general fund is the most significant fund.

Reporting the School District as a Whole

Our analysis for the School District as a whole begins on page 14. One of the most important questions asked about the School District's finances is, "Is the School District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the School District as a whole and about the activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in net assets. The change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors.

In the Statement of Net Assets and the Statement of Activities, the School District's financial information is divided into two distinct kinds of activities:

- *Governmental Activities*- Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.
- *Business-Type Activities*-These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District's adult and community education programs and food services are reported as business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 15. The fund financial statements provide detailed information about the most significant funds as opposed to the School District as a whole. The School District's two types of funds, governmental and proprietary, use different accounting approaches.

- **Governmental Funds**- Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

- **Proprietary Funds** – These funds are used to account for the District activities that are similar to business operations in the private sector; or where the reporting is on determined net income, financial position, or changes in financial position and a significant portion of funding is through user charges. When the District charges customers for services it provides – whether to outside customers or to other units in the District – these services are generally reported in proprietary funds. The Food Service Fund is the District’s proprietary fund and is the same as the business-type activities we report in the government-wide statements, but provides more detail and additional information, such as cash flows.

The School District as a Whole

The statement of net assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District’s net assets for 2024 compared to 2023.

The District’s total net assets at June 30, 2024 were (\$11.3) million as compared to (\$9.5) million at June 30, 2023.

	Governmental		Business-type		Total	
	<u>Activities</u> <u>2023</u>	<u>2024</u>	<u>Activities</u> <u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>
<u>Assets</u>						
Current and Other Assets	24.8	31.0	1.6	1.6	26.3	32.6
Capital assets	101.7	104.0	0.5	0.7	102.1	104.6
<u>Total Assets</u>	<u>126.4</u>	<u>135.0</u>	<u>2.0</u>	<u>2.2</u>	<u>128.5</u>	<u>137.3</u>
<u>Liabilities</u>						
Current Liabilities	12.9	13.2	0.0	0.1	12.9	13.3
Long-Term Liabilities	123.0	133.1	0.2	0.0	123.2	133.1
<u>Total Liabilities</u>	<u>135.9</u>	<u>146.3</u>	<u>0.0</u>	<u>0.1</u>	<u>135.9</u>	<u>146.4</u>
<u>Net Assets</u>						
Invested in Capital Assets, Net of Debt	41.8	36.5	0.0	0.0	41.8	36.5
Restricted		0.0	0.0	0.0		0.0
Unrestricted	-51.3	-47.8	1.9	2.1	-49.4	-45.7
<u>Total Net Assets</u>	<u>-9.5</u>	<u>-11.3</u>	<u>2.0</u>	<u>1.9</u>	<u>-7.5</u>	<u>-9.2</u>

Total assets decreased \$1.7 million.

Net assets of the School District’s governmental activities decreased by \$1.8 million. Unrestricted net assets increased by \$3.5 million

The net assets of the School District business-type activities increased by \$100 thousand.

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

Table 2 takes the information from that Statement and rearranges it slightly so the reader can see our total revenues and expenses for the year.

**Table 2
Changes in Net Assets**

	Governmental		Business-type		Total	
	<u>Activities</u>		<u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Revenues</u>						
Program Revenues						
Charges for Services	0.0	0.3	0.4	0.5	0.4	0.8
Operating Grants	9.3	8.3	1.9	1.7	11.2	10.0
General Revenues						
Property Taxes	37.3	36.8	0.0	0.0	37.3	36.8
Public Utility, EIT, RE Transfer	5.3	5.2	0.0	0.0	5.3	5.2
Grants an Entitlements	15.2	13.6	0.0	0.0	15.2	13.6
Investment earnings	1.0	0.8	0.0	0.0	1.1	0.9
Miscellaneous income	1.9	0.9	0.0	0.0	1.9	0.9
<u>Total Revenue</u>	<u>70.0</u>	<u>65.9</u>	<u>2.3</u>	<u>2.2</u>	<u>72.4</u>	<u>68.1</u>
<u>Expenses</u>						
Instruction	47.9	41.0	0.0	0.0	47.9	41.0
Support Services:						
Instructional Student Support	6.4	5.7	0.0	0.0	6.4	5.7
Administrative & Financial Support						
Services	7.7	7.1	0.0	0.0	7.7	7.1
Operation & Maintenance	4.4	4.3	0.0	0.0	4.4	4.3
Pupil Transportation	3.3	3.1	0.0	0.0	3.3	3.1
Student Activities	1.1	1.1	0.0	0.0	1.1	1.1
Community Services	0.0	0.0	0.0	0.0	0.0	0.0
Interest on Long-Term Debt	1.1	1.5	0.0	0.0	1.1	1.5
Unallocated Depreciation Expense	0.0	0.0	0.0	0.0	0.0	0.0
Food Services	0.0	0.0	1.6	1.1	1.6	1.1
<u>Total Expenses</u>	<u>71.9</u>	<u>63.8</u>	<u>1.8</u>	<u>1.1</u>	<u>73.5</u>	<u>64.9</u>
<u>Increase in Net Assets</u>	<u>-1.9</u>	<u>2.0</u>	<u>0.5</u>	<u>0.06</u>	<u>-1.2</u>	<u>3.1</u>

Expenses for governmental activities are partially offset by program revenues and general grants and entitlements, but are primarily funded by tax revenue. Program revenues that offset expenses this year include:

- Operating grants and contributions include state subsidies for basic and special education, transportation, and employee benefits. Also included are federal and state grants for special programs.

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. It identifies the cost of these services supported by tax revenue and unrestricted state entitlements.

**Table 3
Fiscal Year ended June 30
Governmental Activities
(In Millions)**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction	47.9	41.0	40.1	33.9
Support Services:				
Instructional Student Support	6.4	5.7	6.3	5.6
Administrative & Financial Support Services	7.7	7.1	7.7	7.1
Operation & Maintenance	4.4	4.3	4.4	4.3
Pupil Transportation	3.3	3.1	2.5	2.3
Student Activities	1.1	1.1	1.1	1.0
Community Services	0.0	0.0	0.0	0.0
Interest on Long-Term Debt	1.1	1.5	0.4	0.9
Unallocated Depreciation Expense	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
<u>Total Governmental Activities</u>	<u>71.9</u>	<u>63.8</u>	<u>62.5</u>	<u>55.3</u>
Less:				
Unrestricted grants, subsidies			<u>15.2</u>	<u>13.6</u>
Total needs from local taxes and other revenue			<u>47.3</u>	<u>41.7</u>

The dependence upon tax revenues for governmental activities is apparent. For all governmental activities, general revenue support is 53.3 percent. The community, as a whole, is by far the primary financial support for West York Area School District students.

The School District's Funds

Information on the School District's major funds starts on page 18. Those funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$70.0 million and expenditures of \$71.9 million.

KOCHENOUR, EARNEST, SMYSER & BURG

Certified Public Accountants
710 South George Street
York, Pa. 17401

Philip G. Lauer, CPA
Mark R. Kephart, CPA

Phone: 717-843-8855
Fax: 717-843-8857

Board of Directors
West York Area School District
York, Pennsylvania

To the Members of the Board:

We have performed the Single Audit of the West York Area School District for the fiscal year ended June 30, 2024 and have enclosed the Single Audit reporting package.

The Single Audit was done to fulfill the requirements of the Uniform Guidance Compliance Supplement. It entailed: (1) an audit of the general purpose financial statements and our opinion thereon; (2) an examination of the Schedule of Federal Financial Assistance and our opinion thereon; (3) a study and evaluation of internal controls based on an evaluation of the federal financial assistance programs; (4) a review of compliance based on an audit of the general purpose financial statements in accordance with Government Auditing Standards; and (5) a review of compliance with laws and regulations related to the federal financial assistance programs and our opinion thereon.

As part of our report, we have also issued a management letter addressing recommendations we feel should be considered by the school district.

Kochenour, Earnest, Smyser, and Burg
Certified Public Accountants

York, Pennsylvania
December 17, 2024

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

GENERAL FUND BUDGET HIGHLIGHTS

The School District's budget is prepared according to Pennsylvania law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the fiscal year, the Board of School Directors may authorize revisions to the original budget to accommodate differences from the original budget to the actual expenditures of the District. All adjustments are again confirmed at the time the annual audit is accepted, which is after the end of the fiscal year and within the requirements of state law. In addition, the District may amend its general fund budget to accept grant funds for specific programs. A schedule showing the District's original and final budget amounts compared with amounts actually paid and received is included on page 20.

Budgeted expenditures and other financing uses also increased this same amount to compensate for the additional approved grants. Transfers between specific categories of expenditures/financing uses may occur during the year. The most significant transfers occur from the budget reserve category to specific expenditure areas.

For the General Fund, budget basis revenue was \$69.8 million; about \$1.2 million more than originally budgeted. The areas of major variance are in the receipt of real estate taxes, delinquent real estate taxes, interim real estate taxes and other revenue. The second and third areas are difficult to predict with greater accuracy and are budgeted with conservative figures each year.

On the expenditure side, the budget basis was \$70.8 million, about \$2.4 million less than originally budgeted. The major area of variance was spread across all expenditure items.

At June 30, 2024, the District's general fund reported a fund balance of \$9.7 million. The District has established self-insurance committed fund to fund these special areas. The District has set assigned funds of \$897 thousand for a Building and Grounds Fund, \$897 thousand for a Curriculum Fund, \$897 thousand for a Technology Fund and \$5.0 in an Unassigned Fund. See Notes 13 and 14 in the Notes to Financial Statements.

WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

At June 30, 2024, the District had \$83.3 million invested in a broad range of capital assets, including land, buildings, furniture, and equipment.

Table 4
Governmental Activities
Capital assets - net of depreciation
(In Millions)

	<u>2024</u>	<u>2023</u>
Land	2.2	2.2
Site Improvements	2.2	2.2
Buildings	77.6	76.7
Furniture & Equipment	1.4	1.2
Construction in Progress	0.0	0.0
<u>Totals</u>	<u>83.3</u>	<u>82.3</u>

DEBT ADMINISTRATION

As of July 1, 2023, the District had total outstanding bond principal of \$40.5 million. As of June 30, 2024, the outstanding bond principal was \$50.5 million.

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

Table 5 provides additional details on the outstanding debt.

**Table 5
Outstanding Debt at Year-End**

	<u>Governmental Activities 2024</u>	<u>Governmental Activities 2023</u>
<u>General Obligation Bonds</u>		
Bond Series 2010 (Refinanced Series 2005)	0.0	0.0
Bond Series 2013	0.0	0.0
Bond Series 2020	40.5	40.5
Bond Series 2023	10.0	0.0
<u>Total Outstanding Debt</u>	<u>50.5</u>	<u>40.5</u>

Other obligations include accrued vacation pay and sick leave for specific employees of the District. More detailed information about our long-term liabilities is included in Note 6 to the financial statements.

S&P has assigned the School District a rating of "AA+" Stable.

For the Future

GROWTH

The District has seen a limited slow decline in the student population; given the current economic conditions we expect little or no growth in the coming year.

Long-term, the District has completed the replacement of roof top units at the Middle School and High School and uninvents at Lincolnway and Trimmer Elementaries. A stadium project is in the planning phases.

Fund Balance

The District has established a committed fund - self-insurance reserve. The District is self-insured for its health care costs and the self-insurance fund will protect the District's assets against future claims which may from time to time exceed the current year's budgeted expenses. See Notes 13 and 14.

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

Support Staff Contract

The current support staff agreement has been signed and runs through June 30, 2027.

Professional Staff Contract

The current professional staff agreement has been signed and runs through June 30, 2028

Employee Benefits' Costs

All school districts in the Commonwealth are facing the common problem of increasing employee benefit costs. The two primary areas of concern are the retirement (Public School Employees' retirement System) and self-insured medical and dental costs. The cost of the retirement expense is shared between the district and the Commonwealth of Pennsylvania. Additionally, medical costs have increased in recent years; the risk remains high for costs to continue to increase along the national trends.

MOODY

The evaluation performed by MOODY has confirmed the School District's strength in providing value to its students and residents for the investment made by the community to financially support the organization. From the MOODY Summary: "How does this district's return on resources compare with other Pennsylvania school districts? Relative to other school districts in Pennsylvania, West York Area School District produces moderately above-average student results with below-average spending per student. When compared with a composite of peer districts with similar demographic characteristics, the district produces average student results with somewhat higher per-student spending. Among the student results considered are the district's PSSA, SAT, AP, ACT, and PSAT scores and corresponding participation rates, as well as dropout and attendance rates. Spending reflects resources used to support regular ongoing operations.

Act One (1)

The Tax Study Commission made a non-binding recommendation to the Board of Directors of the West York Area School District not to increase the local Earned Income Tax by 1 % to fund the homestead exclusion. As anticipated additional reduction of the property tax has taken place when the "gaming money" from the state was made available to the school districts. The payment by the state of this "gaming money" is made on an annual basis.

**WEST YORK AREA SCHOOL DISTRICT
YORK, PENNSYLVANIA**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(continued)
YEAR ENDED JUNE 30, 2024**

Contacting the District's Financial Management

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the District's finances and to show the Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, please contact Sheri L. Schlemmer, Chief Finance & Operations Officer at West York Area School District, 1891 Loucks Rd, Suite 100, York, PA 17408, (717) 792-2796.

KOCHENOUR, EARNEST, SMYSER & BURG

Certified Public Accountants
710 South George Street
York, Pa. 17401

Philip G. Lauer, CPA
Mark R. Kephart, CPA

Phone:717-843-8855
Fax:717-843-8857

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
West York Area School District
York, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the West York Area School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the West York Area School 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the West York Area School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 West York Area School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

To the Board of Education
West York Area School District
York, Pennsylvania

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 including 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 West York Area School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the West York Area School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1-10 and page 20 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 West York Area School District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated,

To the Board of Education
West York Area School District
York, Pennsylvania

in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2024, on our consideration of the West York Area School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the West York Area School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the West York Area School District's internal control over financial reporting and compliance.

Kochenour, Earnest, Smyser & Burg

Certified Public Accountants

York, Pennsylvania
December 17, 2024

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS	Governmental	Business-type	
Current Assets:	Activities	Activities	Total
Cash and Cash Equivalents	\$ 21,258,456	\$ 1,380,449	\$ 22,638,905
Investments	4,798,849	0	4,798,849
Taxes Receivable, Net	586,077	0	586,077
Internal Balances	0	167,995	167,995
Due From Other Governments	4,001,208	0	4,001,208
Other Receivables	372,354	4,577	376,931
Due From Other Funds	0	0	0
Inventories	0	22,845	22,845
Prepaid Expenses	25,118	0	25,118
Total Current Assets	31,042,062	1,575,866	32,617,928
Noncurrent Assets:			
Land	2,228,900	0	2,228,900
Lease Assets (Net of Acc. Amort)	1,145,440	0	1,145,440
Site Improvements (Net)	2,169,449	0	2,169,449
Building & Building Improv. (Net of Acc. Depreciation)	77,591,016	0	77,591,016
Furniture & Equipment (Net of Acc. Depreciation)	1,362,253	666,681	2,028,934
Construction in Progress	0	0	0
Prepaid G.O. Bond Interest	2,318,864	0	2,318,864
Total Noncurrent Assets	86,815,922	666,681	87,482,603
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Amounts Related To OPEB	890,211	0	890,211
Deferred Amounts Related To Pensions	16,264,849	0	16,264,849
TOTAL ASSETS	\$ 135,013,044	\$ 2,242,547	\$ 137,255,591
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 2,414,022	\$ 71,368	\$ 2,485,390
Internal Balances	167,608	0	167,608
Current Portion of Long-Term Debt	3,730,000	0	3,730,000
Accrued G.O. Bond Interest Payable	339,424	0	339,424
Accrued Salaries and Benefits	3,616,863	3,336	3,620,199
Payroll Deductions & Withholdings	2,640,136	0	2,640,136
Due To Other Governments	0	0	0
Other Current Liabilities	317,018	43,875	360,893
Total Current Liabilities	13,225,071	118,579	13,343,650
Noncurrent Liabilities:			
Bonds/Notes Payable	43,130,000	0	43,130,000
Lease Obligations	1,145,440	0	1,145,440
Long-Term Portion of Compensated Absences	1,207,650	21,312	1,228,962
G.O. Bond Premium	531,019	0	531,019
Net Pension Liability	75,271,000	0	75,271,000
OPEB Obligation	5,986,018	0	5,986,018
Total Noncurrent Liabilities	127,271,127	21,312	127,292,439
DEFERRED INFLOWS OF RESOURCES:			
Deferred Amounts Related To OPEB	2,681,871	0	2,681,871
Deferred Amounts Related To Pensions	3,129,000	0	3,129,000
TOTAL LIABILITIES	146,307,069	139,891	146,446,960
NET POSITION			
Invested in Capital Assets Net of Related Debt	36,491,618	0	36,491,618
Unrestricted	(47,785,643)	2,102,656	(45,682,987)
TOTAL NET POSITION	(11,294,025)	2,102,656	(9,191,369)
TOTAL LIABILITIES AND NET POSITION	\$ 135,013,044	\$ 2,242,547	\$ 137,255,591

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:								
Instruction	\$ 47,862,512	\$ 0	\$ 16,367	\$ 7,782,854	\$ 0	\$ (40,063,291)	\$ 0	\$ (40,063,291)
Instructional Student Support	6,390,916	0	0	51,490	0	(6,339,426)	0	(6,339,426)
Admin. & Finl Support Services	7,718,490	0	0	0	0	(7,718,490)	0	(7,718,490)
Op & Main of Plant Svcs	4,394,986	0	0	0	0	(4,394,986)	0	(4,394,986)
Pupil Transportation	3,306,356	0	0	840,304	0	(2,466,052)	0	(2,466,052)
Student Activities	1,133,163	0	48,888	0	0	(1,084,275)	0	(1,084,275)
Community Services (excl. 3340)	13,523	0	0	0	0	(13,523)	0	(13,523)
Interest on Long-Term Debt	1,102,574	0	0	671,365	0	(431,209)	0	(431,209)
Total Governmental Activities	71,922,520	0	65,255	9,346,013	0	(62,511,252)	0	(62,511,252)
Business-type Activities:								
Food Service	2,067,218	0	404,611	1,867,774	0	0	205,167	205,167
Total Primary Government	\$ 73,989,738	\$ 0	\$ 469,866	\$ 11,213,787	\$ 0	(62,511,252)	205,167	(62,306,085)

General revenues:

Taxes:								
Property taxes, levied for general purposes, net						37,268,464	0	37,268,464
Taxes levied for specific purposes, net						5,259,492	0	5,259,492
Grants, subsidies, & contributions not restricted						15,189,751	0	15,189,751
Investment Earnings						1,047,092	35,583	1,082,675
Miscellaneous Income						1,943,412	0	1,943,412
Sale of Fixed Assets						0	0	0
Transfers						(8,984)	8,984	0
Total general revenues, special items, extraordinary items and transfers						60,699,227	44,567	60,743,794
Change in Net Position						(1,812,025)	249,734	(1,562,291)
Net Position—beginning						(9,482,000)	1,852,922	(7,629,078)
Net Position—ending						\$ (11,294,025)	\$ 2,102,656	\$ (9,191,369)

WEST YORK AREA SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Major Fund Construction	Major Fund Capital Reserve	Non-Major Funds	Total Governmental Funds
ASSETS					
Cash & Cash Equivalents	\$ 12,992,788	\$ 5,745,252	\$ 2,520,416	\$ 0	\$ 21,258,456
Investments	0	4,798,849	0	0	4,798,849
Taxes Receivable (Net)	586,077	0	0	0	586,077
Due from Other Governments	4,001,208	0	0	0	4,001,208
Due from Other Funds	0	515	0	0	515
Other Receivables	372,354	0	0	0	372,354
Prepaid Expenses	25,118	0	0	0	25,118
TOTAL ASSETS	\$ 17,977,545	\$ 10,544,616	\$ 2,520,416	\$ 0	\$ 31,042,577
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 963,463	\$ 0	\$ 1,450,559	\$ 0	\$ 2,414,022
Due to Other Governments	0	0	0	0	0
Due to Other Funds	168,123	0	0	0	168,123
Accrued Salaries and Benefits	3,616,863	0	0	0	3,616,863
Payroll Deductions & Withholdings	2,640,136	0	0	0	2,640,136
Other Current Liabilities	9,879	0	0	0	9,879
TOTAL LIABILITIES	7,398,464	0	1,450,559	0	8,849,023
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue	893,216	0	0	0	893,216
FUND BALANCES					
Restricted - Construction Fund	0	10,544,616	0	0	10,544,616
Committed - Medical Reserve Fund	1,992,673	0	0	0	1,992,673
Committed - PSERS Retirement Reserve	0	0	0	0	0
Assigned - Curriculum Fund	897,730	0	0	0	897,730
Assigned - Technology Fund	897,730	0	0	0	897,730
Assigned - B & G Fund	897,732	0	0	0	897,732
Assigned - Capital Reserve Fund	0	0	1,069,857	0	1,069,857
Unassigned	5,000,000	0	0	0	5,000,000
TOTAL FUND BALANCES	9,685,865	10,544,616	1,069,857	0	21,300,338
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 17,977,545	\$ 10,544,616	\$ 2,520,416	\$ 0	\$ 31,042,577

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balances - Governmental Funds \$ 21,300,338

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 \$133,800,323 and the accumulated depreciation is \$50,448,705. 83,351,618

Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 586,077

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/Notes Payable	(46,860,000)	
Accrued G.O. Bond Interest Payable	(339,424)	
Compensated Absences	(1,207,650)	(48,407,074)

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Right to use assets at historical cost		1,596,576
Accumulated amortization		(451,136)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore are not reported in the funds.

Deferred outflows of resources related to pensions		16,264,849
Deferred inflows of resources related to pensions		(3,129,000)
Deferred outflows of resources related to OPEB		890,211
Deferred inflows of resources related to OPEB		(2,681,871)

These assets and liabilities are not presented in the governmental funds but are presented as assets and liabilities on the Statement of Net Position in the governmental activities.

Other

G.O. Bond Premium		(531,019)
Net Pension Liability		(75,271,000)
Lease Liability		(1,145,440)
Prepaid G.O. Bond Interest		2,318,864
OPEB Obligation		(5,986,018)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES **\$ (11,294,025)**

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>General Fund</u>	<u>Major Fund Construction</u>	<u>Major Fund Capital Reserve</u>	<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Real Estate Taxes and Penalties	\$ 37,247,084	\$ 0	\$ 0	\$ 0	\$ 37,247,084
Other Taxes	5,259,492	0	0	0	5,259,492
Interest	721,799	160,008	165,285	0	1,047,092
Revenue Received from Athletics	48,888	0	0	0	48,888
Revenue Received from Other LEAS	582,014	0	0	0	582,014
Tuition	16,367	0	0	0	16,367
Other Revenue	1,943,411	0	0	0	1,943,411
Total Local Sources	<u>45,819,055</u>	<u>160,008</u>	<u>165,285</u>	<u>0</u>	<u>46,144,348</u>
State Sources	20,995,543	0	0	0	20,995,543
Federal Sources	2,958,208	0	0	0	2,958,208
Total Revenues	<u>69,772,806</u>	<u>160,008</u>	<u>165,285</u>	<u>0</u>	<u>70,098,099</u>
EXPENDITURES					
Current:					
Instruction	43,546,789	0	0	0	43,546,789
Support Services	21,011,371	0	0	0	21,011,371
NonInstructional Services	1,105,154	0	0	0	1,105,154
Total Current Expenditures	<u>65,663,314</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>65,663,314</u>
Capital Outlay:					
Facilities Acquisition, Construction and Improvements	167,925	183,293	3,539,069	0	3,890,287
Total Capital Outlay	<u>167,925</u>	<u>183,293</u>	<u>3,539,069</u>	<u>0</u>	<u>3,890,287</u>
Debt Service:					
Principal	3,645,000	0	0	0	3,645,000
Interest	1,357,457	0	0	0	1,357,457
Total Debt Service	<u>5,002,457</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,002,457</u>
TOTAL EXPENDITURES	<u>70,833,696</u>	<u>183,293</u>	<u>3,539,069</u>	<u>0</u>	<u>74,556,058</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,060,890)</u>	<u>(23,285)</u>	<u>(3,373,784)</u>	<u>0</u>	<u>(4,457,959)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from Bonds	0	10,566,866	0	0	10,566,866
Interfund Transfers	0	0	0	0	0
Sale/Compensation for Fixed Assets	0	0	0	0	0
Refunds of Prior Years Receipts	0	0	0	0	0
Refunds of Prior Years Expenditures	0	0	0	0	0
Refunding Escrow Agent Payment	0	0	0	0	0
Operating Transfers Out	(8,984)	0	0	0	(8,984)
Budgetary Reserve	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>(8,984)</u>	<u>10,566,866</u>	<u>0</u>	<u>0</u>	<u>10,557,882</u>
Net Change in Fund Balances	(1,069,874)	10,543,581	(3,373,784)	0	6,099,923
FUND BALANCE - JULY 1, 2023	10,755,739	1,035	4,443,641	0	15,200,415
FUND BALANCE - JUNE 30, 2024	<u>\$ 9,685,865</u>	<u>\$ 10,544,616</u>	<u>\$ 1,069,857</u>	<u>\$ 0</u>	<u>\$ 21,300,338</u>

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Total net change in fund balances - governmental funds \$ 6,099,923

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 expense. This is the amount by which depreciation exceeds capital outlays in the period. Depreciation Expense \$(2,497,646)

Capital Outlays	3,539,068	1,041,422
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Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds. Deferred tax revenues increased (decreased) by this amount this year. 21,380

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 3,645,000

Bond Proceeds recorded as revenue in governmental funds, not recorded on Statement of Net Assets as revenue. (9,840,889)

Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension related benefits earned net of employee contributions is reported as pension expense.

District pension contributions		8,571,198
Cost of pension benefits earned, net of employee contributions		(10,857,799)

The following items are recorded as either revenue or expenses on the Statement of Net Position but are not recorded as revenue or expenses in the governmental funds.

OTHER

Accrued Interest Expense Adjustment for G.O. Bonds		(102,729)
OPEB Obligation Expense		42,187
Right to use leased assets capital outlay expenditures which were capitalized		184,240
Accumulated amortization		(184,240)
Bond Interest Expense for Bond Issuance		-
Prepaid Interest Amortization		(409,212)
Bond Premium Amortization		40,848
Compensated Absences		(63,354)

Change in net position of governmental activities **\$ (1,812,025)**

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Real Estate Taxes and Penalties	\$ 38,116,420	\$ 38,116,420	\$ 37,247,084	\$ (869,336)
Other Taxes	5,006,178	5,006,178	5,259,492	253,314
Interest	250,000	250,000	721,799	471,799
Revenue Received from Athletics	43,500	43,500	48,888	5,388
Revenue Received from Other LEAS	600,000	600,000	582,014	(17,986)
Tuition	165,000	165,000	16,367	(148,633)
Other Revenue	878,500	878,500	1,943,411	1,064,911
Total Local Sources	45,059,598	45,059,598	45,819,055	759,457
State Program Revenues	19,972,453	19,972,453	20,995,543	1,023,090
Federal Program Revenues	3,492,068	3,492,068	2,958,208	(533,860)
TOTAL REVENUES	68,524,119	68,524,119	69,772,806	1,248,687
EXPENDITURES				
Current:				
Regular Programs	27,870,925	27,870,925	26,540,804	1,330,121
Special Programs	12,611,404	12,611,404	12,014,553	596,851
Vocational Programs	3,330,102	3,330,102	3,288,764	41,338
Other Instructional Programs	1,698,715	1,698,715	1,687,456	11,259
Non-Public School Programs	0	0	15,212	(15,212)
Adult Education Programs	0	0	0	0
Community/Junior College Ed Programs	0	0	0	0
Support Services:				
Pupil Personnel Services	3,794,079	3,794,079	3,717,839	76,240
Instructional Staff Services	1,661,085	1,661,085	1,531,476	129,609
Administrative Services	3,735,371	3,735,371	4,145,396	(410,025)
Pupil Health	1,043,293	1,043,293	907,370	135,923
Business Services	639,052	639,052	564,174	74,878
Operation & Maintenance of Plant Services	4,818,280	4,818,280	4,233,907	584,373
Student Transportation Services	2,922,429	2,922,429	3,185,176	(262,747)
Central & Other Support Services	2,878,583	2,878,583	2,653,206	225,377
Other Support Services	75,750	75,750	72,827	2,923
Operation of Noninstructional Services:				
Student Activities	1,228,122	1,228,122	1,091,631	136,491
Community services	3,500	3,500	13,523	(10,023)
Facilities Acquisition and Construction	0	0	167,925	(167,925)
Debt Service	5,001,986	5,001,986	5,002,457	(471)
TOTAL EXPENDITURES	73,312,676	73,312,676	70,833,696	2,478,980
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	(4,788,557)	(4,788,557)	(1,060,890)	3,727,667
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	0	0	(8,984)	(8,984)
Sale/Compensation for Fixed Assets	0	0	0	0
Special and Extraordinary Items	0	0	0	0
Refunds of Prior Years Expenditures (Revenues)	0	0	0	0
Budgetary Reserve	(125,000)	(125,000)	0	125,000
TOTAL OTHER FINANCING SOURCES (USES)	(125,000)	(125,000)	(8,984)	116,016
Net change in fund balances	<u>\$ (4,913,557)</u>	<u>\$ (4,913,557)</u>	<u>(1,069,874)</u>	<u>\$ 3,843,683</u>
FUND BALANCE - JULY 1, 2023			10,755,739	
FUND BALANCE - JUNE 30, 2024			<u>\$ 9,685,865</u>	

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

		<u>Food Service</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$	1,380,449
Due from Other Funds		167,995
Due from Other Governments		0
Other Receivables		4,577
Inventories		22,845
Total Current Assets		<u>1,575,866</u>
Noncurrent Assets:		
Machinery & Equipment (Net of Accum. Depreciation)		666,681
Total Noncurrent Assets		<u>666,681</u>
TOTAL ASSETS	\$	<u>2,242,547</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$	71,368
Due to Other Funds		0
Accrued Salaries & Benefits		3,336
Payroll Deductions and Withholdings		0
OPEB Obligation		0
Deferred Revenue		43,875
Total Current Liabilities		<u>118,579</u>
Non-Current Liabilities:		
Compensated Absences		21,312
Total Non-Current Liabilities		<u>21,312</u>
TOTAL LIABILITIES		<u>139,891</u>
NET POSITION		
Unrestricted		2,102,656
TOTAL NET POSITION		<u>2,102,656</u>
TOTAL LIABILITIES AND NET POSITION	\$	<u>2,242,547</u>

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Food Service
OPERATING REVENUES:	
Food Service Revenue	\$ 403,077
Other Operating Revenue	1,534
TOTAL OPERATING REVENUES	404,611
OPERATING EXPENSES:	
Salaries	580,617
Employee Benefits	423,413
Purchased Professional and Technical Service	0
Purchased Property Service	15,871
Other Purchased Service	28,543
Supplies	918,952
Depreciation	98,547
Dues and Fees	1,275
Other Operating Expenses	0
TOTAL OPERATING EXPENSES	2,067,218
OPERATING INCOME/(LOSS)	(1,662,607)
NONOPERATING REVENUES (EXPENSES):	
Earnings on Investments	35,583
State Sources	318,099
Federal Sources	1,549,675
Interfund Transfers	8,984
TOTAL NONOPERATING REV/(EXP)	1,912,341
CHANGE IN NET POSITION	249,734
TOTAL NET POSITION - JULY 1, 2023	1,852,922
TOTAL NET POSITION - JUNE 30, 2024	\$ 2,102,656

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
JUNE 30, 2024

	<u>Food Service</u>
Cash Flows From Operating Activities	
Cash Received from Users	\$ 415,108
Cash Received from Other Operating Revenues	0
Cash Payments to Employees for Services	(1,004,095)
Cash Payments to Suppliers for Goods and Services	(1,171,548)
Cash Payments for Other Operating Expenses	0
	<hr/>
Net Cash Provided by (Used for) Operating Activities	(1,760,535)
Cash Flows From Non-Capital Financing Activities	
State Sources	318,099
Federal Sources	1,549,675
Operating Transfers In (Out) Primary Government	8,984
	<hr/>
Net Cash Provided by (Used for) Non-Capital Financing Activities	1,876,758
Cash Flows From Capital and Related Financing Activities	
Facilities Acquisition/Construction/Improvements	(310,058)
	<hr/>
Net Cash Provided by (Used for) Capital and Related Financing Activities	(310,058)
Cash Flows From Investing Activities	
Earnings on Investments	35,583
	<hr/>
Net Cash Provided by (Used for) Investing Activities	35,583
	<hr/>
Net Inc (Dec) in Cash and Cash Equivalents	(158,252)
Cash and Cash Equivalents Beginning of Year	1,538,701
	<hr/>
Cash and Cash Equivalents at Year End	\$ 1,380,449
	<hr/> <hr/>
Operating Income (Loss)	\$ (1,662,607)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation	98,547
(Increase) Decrease in Receivables	5,180
(Increase) Decrease in Inventories	(248)
(Increase) Decrease in Due to Other Funds	(167,995)
Increase (Decrease) in Accounts Payable	60,756
Increase (Decrease) in Accrued Salaries & Benefits	257
Increase (Decrease) in Payroll Deductions/Withholding	0
Increase (Decrease) in Deferred Revenue	5,317
Increase (Decrease) in Compensated Absences	(322)
Increase (Decrease) in Due from Other Funds	(99,420)
	<hr/>
Total Adjustments	(97,928)
	<hr/>
Net Cash Provided by (Used for) Activities	\$ (1,760,535)
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024

ASSETS	Private Purpose Trust	Agency
	<u>Trust</u>	<u>Agency</u>
Cash and Cash Equivalents	\$ 0	\$ 89,854
Due From General Fund	0	0
Other Receivables	0	0
Other Current Assets	0	0
TOTAL ASSETS	<u>0</u>	<u>89,854</u>
LIABILITIES		
Accounts Payable	0	210
Due To Other Funds	0	387
TOTAL LIABILITIES	<u>0</u>	<u>597</u>
NET POSITION		
Unrestricted	<u>0</u>	<u>89,257</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ -</u>	<u>\$ 89,854</u>

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Student Activities
ADDITIONS	
Receipts from Student Groups	\$ 47,067
	47,067
DEDUCTIONS	
Student Activity Disbursements	62,318
	62,318
CHANGE IN NET POSITION	(15,251)
NET POSITION - JULY 1, 2023	104,508
NET POSITION - JUNE 30, 2024	\$ 89,257

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Non-major Fund
ASSETS	
Cash and Cash Equivalents	\$ 0
Other Receivables	0
Due From General Fund	0
TOTAL ASSETS	0
LIABILITIES	
Due To Other Funds	0
Accounts Payable	0
Other Current Liability	0
TOTAL LIABILITIES	0
NET POSITION	
Unrestricted	0
TOTAL LIABILITIES AND NET POSITION	\$ -

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Non-major Fund
REVENUES	
Local Sources:	
Revenue	\$ 0
TOTAL REVENUES	0
 EXPENDITURES	
Expenditures	0
TOTAL EXPENDITURES	0
REVENUES OVER (UNDER)	
EXPENDITURES	0
 OTHER FINANCING SOURCES (USES)	
Interfund Transfers	0
TOTAL OTHER FINANCING SOURCES (USES)	0
CHANGE IN FUND BALANCE	0
 NET POSITION - JULY 1, 2023	0
NET POSITION - JUNE 30, 2024	\$ 0

The accompanying notes are an integral part of these financial statements.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the West York Area School District conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements-and Management's discussion and Analysis-for State and Local Governments*. Certain of the significant changes in the Statement include the following:

A Management's Discussion and Analysis (MD & A) providing an analysis of the District's overall financial position and results of operations.

Financial statements prepared using full-accrual accounting for all of the District's activities.

A change in the fund financial statements to focus on the major funds.

These changes are reflected in the accompanying financial statements (including notes to financial statements). The District has implemented GASB Statement No. 34, *Basic Financial statements-and Management's Discussion and Analysis-for State and Local Governments*, for the year ended June 30, 2024.

A. REPORTING ENTITY

The West York Area School District Board is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the West York Area School District. The District receives funding from local, state and federal government sources and must comply with their accompanying requirements. However, the Board is not included in any other governmental "reporting entity" as defined by the GASB Pronouncement, since Board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement 14 which are included in the District's reporting entity.

The reporting entity for West York Area School District consists only of those funds, functions, and activities controlled by the School Board and required or allowed by State laws and regulations.

The financial statements of the School District include all funds and activities that are controlled by or dependent on the School District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of advisors.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. FUND ACCOUNTING

The accounts of the West York Area School District are organized on the basis of funds and account groups, 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 that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report as follows:

GOVERNMENTAL FUNDS

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

SPECIAL REVENUE FUNDS - Special Revenue Funds are used to account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes.

CAPITAL PROJECT FUNDS - Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Reserve Fund is a Capital Project Fund.

PROPRIETARY FUNDS

ENTERPRISE FUNDS - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - when the intent of the governing body is that costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The Food Service Fund is a Modified Enterprise Fund because most food service funds in Pennsylvania's Public School System depend on support from the General Fund of the District as well as state and federal subsidization in order to operate.

FIDUCIARY FUNDS

TRUST & AGENCY FUNDS - Agency Funds are used to account for assets held by the District as an agent for school organizations or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Activities Fund is an Agency Fund. Nonexpendable Trusts are accounted for in essentially the same manner as Proprietary Funds.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIS OF PRESENTATION

Government-wide Financial Statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the school district. As a general rule the effect of interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. In addition, program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements are also provided in the report for all of the governmental funds, proprietary funds, and the fiduciary funds of the school district. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statement. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the school district's enterprise fund are food service charges. Operating expenses for the school district's enterprise fund include food production costs, supplies, administrative costs, and depreciation on capital assets. All revenues or expenses not meeting this definition are reported as nonoperating revenues and expenses.

The District reports the following major governmental funds:

The general fund is the district's primary operating fund. It accounts for all financial resources except those required to be in another fund.

The capital reserve fund accounts for transfers from other funds and related investment earnings for capital outlays not accounted for in another fund.

The capital project fund accounts for financial resources to be used for the acquisition or construction of major capital facilities.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net assets. Depreciation is charged against current operations and accumulated depreciation is reported on the statement of net position.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers tax revenue to be available if collected within 60 days of the end of the fiscal period. Revenue from federal, state, and other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

E. INVENTORY

Inventory in the General Fund is recorded as an expenditure at the time of purchase.

Inventory in the Proprietary Fund is valued at cost, except government donated food is priced at fair market value at date of receipt.

F. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the proprietary fund type considers all highly liquid investments with a remaining maturity of three months or less when purchased to be cash equivalents.

G. RECEIVABLES AND PAYABLE

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

H. PREPAID EXPENSES

In both government-wide and fund financial statements, prepaid expenses are recorded as assets in the specific governmental fund in which future benefits will be derived.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. CAPITAL ASSETS

Capital assets which include land, property, plant and equipment are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the school district as assets with an initial, individual cost of more than \$1,500 and an estimated useful life in excess of one year. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year.

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

All capital assets except for land are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets:</u>	<u>Years</u>
Buildings & Portable Classrooms	25 - 50
Building Improvements	15 - 30
Land Improvements	20
Machinery & Equipment	5 - 15
Vehicles	5 - 8
Furniture and Fixtures	10 - 20

Proprietary fund equipment purchases are capitalized in the proprietary fund at cost and depreciated on a straight-line basis over 5 to 25 years.

J. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. Bonds are recognized as a liability on the fund financial statements when due.

K. NET POSITION

Net Position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for acquisition, construction or improvement of those assets.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. 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 expenses during the reporting period. Actual results could differ from those estimates.

M. NEW ACCOUNTING PRONOUNCEMENT ADOPTED:

GASB Statement No. 87, Lease Accounting - As of July 1, 2021, the School District adopted GASB Statement No. 87, Lease Accounting. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents consist of the following as of June 30, 2024:

<u>Name of Bank</u>	<u>Book Balance</u>	<u>Rate</u>	<u>Bank Balance</u>
<u>Governmental Funds:</u>			
<u>Major Funds</u>			
<u>General Fund</u>			
Checking-First National Bank	\$ 6,635,311	Various	\$ 7,783,786
Sec. 125 Clearing Acct.-First National Bank	0		0
PNC Bank	6,991		6,991
PSDLAF	4,081,197	Various	4,081,197
PLGIT/PLUS	1,474,953		1,474,953
Savings-PLGIT	767,636	Various	767,636
Payroll-First National Bank	23,870		15,366
Athletic Change Fund	1,500		0
Petty Cash-On Hand	1,331		0
Total Major Fund / General Fund	\$ 12,992,789		\$ 14,129,929
<u>Capital Reserve</u>			
Checking-First National Bank	\$ 1,387,403	Various	\$ 1,603,765
PSDLAF Max	1,133,013		1,133,013
Total Major Fund / Capital Reserve	\$ 2,520,416		\$ 2,736,778
<u>Capital Project Fund</u>			
PSDLAF Max	\$ 5,745,251	Various	\$ 5,745,251
Total Major Fund / Capital Project Fund	\$ 5,745,251		\$ 5,745,251
<u>Total Governmental Funds:</u>	\$ 21,258,456		\$ 22,611,958
<u>Business-type Activities</u>			
Checking-First National Bank	\$ 1,379,969	Various	\$ 1,270,381
Petty Cash-On Hand	480		0
	\$ 1,380,449		\$ 1,270,381

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Fiduciary Funds

Agency Funds

Activities Funds

Checking-First National Bank	\$ 89,854	Various	\$ 99,132	
Total Agency Funds	\$ 89,854		\$ 99,132	

The District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2024, \$23,724,480 of the District's bank balance of \$23,981,471 was exposed to custodial credit risk as:

Uninsured and Uncollateralized	\$ 0
Collateralized with securities held by the pledging financial institution	23,724,480
Uninsured and collateral held by the pledging bank's trust department not in the District's name	0
	<u>\$ 23,724,480</u>

Reconciliation to Financial Statements:

Collateralized with securities held by the pledging financial institution	\$ 23,724,480
Plus: Insured Amount	256,991
Add: Deposit in Transit	229,771
Less: Outstanding Checks	(1,485,794)
Carrying Amount - Bank Balances	<u>22,725,448</u>
Plus: Petty Cash	3,311
Total Cash per Financial Statements	<u>\$ 22,728,759</u>

Cash Summary per Respective Funds:

Statement of Net Position - Cash - Governmental Funds	\$ 21,258,456
Statement of Net Position - Cash - Proprietary Funds	1,380,449
Statement of Net Position - Cash - Fiduciary Funds	89,854
Total Cash per Financial Statements	<u>\$ 22,728,759</u>

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

INVESTMENTS:

Credit Risk - risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below are the actual ratings for each investment as of the end of the year:

Ratings as of Year End

<u>Investment Type</u>	<u>Amount</u>	<u>Standard & Poors AAAm</u>
PSDLAF - T-BILLS	\$ 4,798,849	\$ 4,798,849

Concentration of Credit Risk - risk of loss attributed to the magnitude of an entity's investment in a single issuer. Disclosure occurs by issuer and amount of investments in any one issuer that represent 5% or more of total investments for the entity:

<u>Investment Type</u>	<u>Amount</u>	<u>Percentage</u>
PSDLAF - T-BILLS	\$ 4,798,849	100.00%

Interest Rate Risk - is the risk that changes in interest rates demanded by the market will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the entity's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Entity's investments by maturity:

Investment Maturities (In Years)

<u>Investment Type</u>	<u>Amount</u>	<u>Less Than 1 Year</u>	<u>1 Year or Over</u>
PSDLAF - T-BILLS	\$ 4,798,849	\$ 4,798,849	\$ -

NOTE 3 - TAXES RECEIVABLE

This account represents unpaid real estate taxes from preceding years returned to the Tax Claims Bureau for collections, and certain interim taxes not yet collected. This account is offset by real estate tax revenues on the statement of activities for the government-wide financial statement presentation and offset by deferred revenues in the liability section of the balance sheet for the fund financial statement presentation.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 - CHANGES IN CAPITAL ASSETS

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

Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balances
Land	\$ 2,228,900	\$ 0	\$ 0	\$ 2,228,900
Site Improvements	2,169,449	0	0	2,169,449
Buildings & Improvements	116,087,664	3,145,616	0	119,233,280
Construction In Progress	0	0	0	0
Machinery & Equipment	9,775,242	393,452	0	10,168,694
Total Capital Assets	\$ 130,261,255	\$ 3,539,068	\$ 0	\$ 133,800,323

Accumulated Depreciation activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balances
Buildings & Improvements	\$ 39,356,643	\$ 2,285,621	\$ 0	\$ 41,642,264
Machinery & Equipment	8,594,416	212,025	0	8,806,441
	\$ 47,951,059	\$ 2,497,646	\$ 0	\$ 50,448,705
Governmental Activities Capital Assets, Net	\$ 82,310,196	\$ 1,041,422	\$ 0	\$ 83,351,618

Business-type Activities:

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

	Beginning Balance	Increases	Decreases	Ending Balances
Food Service Equipment	\$ 990,435	\$ 310,057	\$ 0	\$ 1,300,492

Accumulated Depreciation activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balances
Food Service Equipment	\$ 535,264	\$ 98,547	\$ 0	\$ 633,811
Business-type Activities Capital Assets, Net	\$ 455,171	\$ 211,510	\$ 0	\$ 666,681

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 - GENERAL LONG-TERM DEBT

On March 26, 2020 West York Area School District issued General Obligation Bonds, Series of 2020 for the purpose of refunding the District's outstanding General Obligation Bonds, Series 2013, and to pay the costs of issuing the bonds.

<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
2020	April 1, 2033	2.35%	\$ <u>42,750,000</u>

A summary of the maturity dates of the General Obligation Issue of 2020 is as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2025	\$ 3,725,000	2030	\$ 4,185,000
2026	3,815,000	2031	4,280,000
2027	3,905,000	2032	4,385,000
2028	3,990,000	2033	4,490,000
2029	4,095,000		
TOTAL			\$ <u>36,870,000</u>

On November 30, 2023 West York Area School District issued General Obligation Bonds, Series of 2023 for the purpose of financing various capital projects of the School District and to pay the costs of issuing the bonds.

<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
2023	April 1, 2037	various	\$ <u>9,995,000</u>

A summary of the maturity dates of the General Obligation Issue of 2020 is as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2025	\$ 5,000	3032	\$ 5,000
2026	5,000	3033	5,000
2027	5,000	3034	2,305,000
2028	5,000	3035	2,425,000
2029	5,000	3036	2,545,000
3030	5,000	3037	2,670,000
3031	5,000		
TOTAL			\$ <u>9,990,000</u>

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 - GENERAL LONG-TERM DEBT (CONTINUED)

During the fiscal year ended June 30, 2024, general long-term debt activity is summarized as follows:

Balance - July 1, 2023	\$ 40,510,000
Note/Bond Proceeds	9,995,000
Principal Repayments	(3,645,000)
Bond Refunding	0
Balance - June 30, 2024	<u>\$ 46,860,000</u>
Interest Paid	<u>\$ 1,102,574</u>

NOTE 6 - ACCUMULATED COMPENSATED ABSENCES

It is the School District's policy to permit employees to accumulate a limited amount of earned but unused sick leave, which will be paid to employees upon separation from the School District's service. For the government-wide financial statement presentation, the amount, \$1,228,962 of compensated absences is recorded as a liability on the statement of net position. In the fund financial statement presentation, the cost of sick leave is recognized when payments are made to employees.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 7 - PENSION PLAN

1. Summary of Significant Accounting Policies

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.

General Information about the Pension Plan

Plan Description

PSERS is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System included 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 publicly available financial report that can be obtained at www.psers.state.pa.us.

Benefits provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year of credited service; (b) age 60 with 30 or more years of credited service; or 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the members' 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 members' 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 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

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 7 - PENSION PLAN (CONTINUED)

members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Contributions

Member Contributions:

Active members who joined the System prior to July 22, 1983, contribute at 5.25% (Membership Class T - C) or at 6.5% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System on or after July 22, 1983, and who are active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.5% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System after June 30, 2001 and before July 1, 2011, contribute at 7.50% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.

Members who joined the System after June 30, 2011, automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the members qualifying compensation. All new hires after June 30, 2011, who elect Class T - F membership, contribute at 10.3% (base rate) of the members qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Members who joined the System on or after July 1, 2019, contribute according to Membership Class T-G - 5.50% base rate with shared risk provision and 2.75% direct contribution rate, T-H - 4.50% base rate with shared risk provision and 3.00% direct contribution rate. Code DC has only a direct contribution rate of 7.50%.

Employer Contributions:

The school districts' contractually required contribution rate for fiscal year ended June 30, 2024 was 33.09% 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 pension plan from the District were \$8,571,198 for the year ended June 30, 2024.

2. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2024 the School reported a liability of \$75,271,000 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 School's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it related to the total one-year reported covered payroll. At June 30, 2024, the School's proportion was .1692%, which was an decrease of .0091 from its proportion measured as of June 30, 2023 which was .1562%.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 7 - PENSION PLAN (CONTINUED)

For the year ended June 30, 2024, the District recognized pension expense of \$9,130,000. At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	2,130,000	
Difference between expected and actual experience	17,000	1,031,000
Changes in proportions	4,711,000	2,098,000
Changes in assumptions	1,123,000	-
Difference between employer contributions and proportionate share of total contributions	(287,349)	-
Contributions subsequent to the measurement date	8,571,198	-
	<u>16,264,849</u>	<u>3,129,000</u>

\$8,571,198 reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025	1,534,000
2026	(1,091,000)
2027	3,699,000
2028	711,000

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 actuarial valuation to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Changes in assumptions used in measurement of the Total Pension Liability beginning June 30, 2023.

The Investment Rate of Return was 7.00%, includes inflation of 2.75%.

Salary growth changed from an effective average of 4.50%, which comprised of inflation of 2.50%, and 2.00% for wage growth and for merit or seniority increases.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 7 - PENSION PLAN (CONTINUED)

Demographic and economic assumptions approved by the Board for use effective with the June 30, 2023 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 Scales.

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 the period ending June 30, 2020.

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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	30.0%	5.2%
Fixed Income	33.0%	3.2%
Commodities	7.5%	2.7%
Absolute return	4.0%	4.1%
Infrastructure/MLPs	10.0%	5.4%
Real estate	11.0%	5.7%
Cash	3.0%	1.2%
Private equity	12.0%	7.9%
Financing Leverage	-10.5%	1.2%
	<u>100%</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.

Sensitivity of the School's Proportionate share of the net pension liability to changes in the discount rate

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 7 - PENSION PLAN (CONTINUED)

Discount rate

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

Sensitivity of the School's Proportionate share of the net pension liability to changes in the discount rate

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
School's proportionate share of the net pension liability	97,572,000	75,271,000	56,456,000

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.state.pa.us.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 - EARNED INCOME TAX

The York County Earned Income Tax Bureau is audited by other independent auditors. Our examination was limited to tracing general ledger receipts to bank deposits.

NOTE 9 - BUDGET

The school follows these procedures in establishing the budgetary data reflected in these financial statements.

- (a) Formal budgetary integration is employed as a management control device during the year for the general fund. This budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).
- (b) The Board of Directors approves the total budget appropriations and authorizes budget transfers. The level of budgetary responsibility is by total appropriation.
- (c) The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.
- (d) Unexpended appropriations at year-end lapse.
- (e) The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.
- (f) Unexpended appropriations at year-end lapse.

NOTE 10 - SUBSEQUENT EVENTS

Management of the School District has evaluated subsequent events through the date of the audit report. No subsequent events were noted.

NOTE 11 - REVENUE RECOGNITION - PROPERTY TAXES

Property taxes are recognized in the year received. For fund financial statement presentation, property taxes outstanding are recorded as an asset and offset in the liability section as a deferred revenue. For government-wide financial statement presentation, property taxes outstanding are recorded as an asset and offset by real estate tax revenues on the statement of activities.

Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

Property taxes attach as an enforceable lien on property as of January 15. Taxes are levied on July 1 and are due and payable at that time. All unpaid taxes levied on July 1 become delinquent November 1.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - CONTINGENCIES

The District is from time to time subject to routine litigation incidental to School District Activities. While the final resolution of any matter may have an impact on the District's financial results for a particular reporting period, the District believes the ultimate disposition of any such litigation would not have a materially adverse effect upon the financial position of the District.

NOTE 13 - SELF - INSURANCE

West York Area School District provides health insurance to its employees through a self-insured health plan administered by Highmark Blue Shield. The school district pays claims incurred and also pays an administrative charge to Highmark Blue Shield. The school district also has committed a portion of its fund balance (\$1,992,673) as a reserve against possible claims in the future.

NOTE 14 - GASB #54 FUND BALANCE IMPLEMENTATION

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balances as follows:

Non-spendable - include fund balance amounts that cannot be spent either because it not in spendable form or because of legal or contractual constraints.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Construction Fund	\$ 10,544,616
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This is a debit balance due to a liability to the General Fund before bond proceeds received.

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year end.

Medical Reserve Fund	\$ 1,992,673
PSERS Retirement Reserve Fund	0
Total Committed Fund Balances:	\$ 1,992,673

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Manager. The following have been assigned:

Curriculum Fund	\$ 897,730
Technology Fund	897,730
B & G Fund	897,732
Capital Reserve Fund	1,069,857
Total Assigned Fund Balances:	\$ 3,763,049

Unassigned includes positive fund balance within the general fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds. The amount of the unassigned fund balance for West York Area School District is \$5,000,000 for the year ending June 30, 2024.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN

The West York Area School District Postemployment Benefits plan is administered by Highmark Blue Shield. This plan is a cost-sharing multiple-employer plan which issues its own financial report.

Summary of Plan Provisions:

<u>Group</u>	<u>Eligibility</u>	<u>Coverage and Premium Sharing</u>	<u>Duration</u>
All Employees	For individuals who were members of PSERS prior to July 1, 2011, an employee is eligible for PSERS retirement if he (or she) is eligible for either: 1) PSERS early retirement while under 62 with 5 yrs of PSERS service or 2) PSERS superannuation retirement upon reaching 60 with 30 yrs of PSERS service, age 62 with 1 yr of PSERS service or 35 yrs of PSERS service regardless of age. For individuals who became members of PSERS on or after July 1, 2011, an employee is eligible for PSERS retirement if he (or she) is eligible for either: 1) PSERS early retirement while under 65 with 10 yrs of PSERS service or 2) PSERS superannuation retirement upon reaching 65 with 3 yrs 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 yrs of PSERS service. All individuals are eligible for a special early retirement upon reaching age 55 with 25 yrs of PSERS service.	Act 110/43 Benefit: Retired employees are allowed to continue coverage for themselves and their dependents in the employer's group health plan until the retired employee reaches Medicare age. In order to obtain coverage, retired employees must provide payment equal to the premium determined for the purpose of COBRA.	Member and spouse may each continue until Medicare age regardless of the status of the other.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Actuarial Assumptions and Methods

Interest Rate

4.13%

Salary

An assumption for salary increases is used only for spreading contributions over future pay under the entry age normal cost method. For this purpose, salary increases are composed of a 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%.

Withdrawal

Rates of withdrawal vary by age, gender and years of service. Sample rates for employees with more than 10 years of service are shown below. Rates for new employees start at 25.93% for men and 27.46% for women and decrease with age and service.

Age	Male Rate	Female Rate	Age	Male Rate	Female Rate
25	4.5500%	3.9000%	45	1.4100%	1.6000%
30	4.5500%	3.9000%	50	1.8900%	2.0800%
35	1.6800%	2.8300%	55	3.6300%	3.6600%
40	1.4200%	1.6700%	60	5.4900%	5.9400%

Mortality

Separate rates are assumed preretirement and postretirement using the rates assumed in the PSERS defined benefit pension plan actuarial valuation.

Disability

No disability was assumed.

Retirement

Assumed retirement rates are based on PSERS plan experience and vary by age, service and gender.

Special Early Retirement			TC & TD Superannuation		TE,TF,TG & TH Superannuation	
Age	Male	Female	Male	Female	Male	Female
55	14.5%	14.5%	25.0%	16.0%	16.3%	19.5%
56	14.5%	14.5%	25.0%	20.0%	16.3%	19.5%
57	14.5%	15.0%	28.0%	28.0%	16.3%	19.5%
58	14.5%	15.0%	28.0%	30.0%	16.3%	19.5%
59	21.6%	20.7%	28.0%	30.0%	16.3%	19.5%
60	14.5%	15.0%	29.0%	31.0%	16.3%	19.5%
61	29.0%	29.0%	29.0%	31.0%	16.3%	19.5%
62	29.0%	29.0%	36.0%	31.0%	16.3%	19.5%
63	29.0%	29.0%	21.0%	20.0%	16.3%	19.5%

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

<u>Special Early Retirement</u>			<u>TC & TD Superannuation</u>		<u>TE,TF,TG & TH Superannuation</u>	
<u>Age</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
64	29.0%	29.0%	22.0%	25.0%	16.3%	19.5%
65	29.0%	29.0%	23.0%	28.0%	16.3%	19.5%
66	29.0%	29.0%	23.0%	27.0%	16.3%	19.5%
67	29.0%	29.0%	20.0%	23.0%	16.3%	19.5%
68	29.0%	29.0%	20.0%	22.0%	16.3%	19.5%
69	29.0%	29.0%	20.0%	23.0%	16.3%	19.5%
70	29.0%	29.0%	20.0%	23.0%	16.3%	19.5%
71-73	29.0%	29.0%	20.0%	20.0%	16.3%	19.5%
74-79	29.0%	29.0%	25.0%	25.0%	16.3%	19.5%
80+	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Percent of Eligible Retirees Electing Coverage in Plan

60% of Teachers and Administrators and 30% of the Support Staff are assumed to elect coverage.

Percent Married at Retirement

45% of employees are assumed to be married and have a spouse covered by the plan at retirement. Non-spouse dependents are deemed to be immaterial.

Spouse Age

Wives are assumed to be two years younger than their husbands.

Per Capita Claims Cost

The per capita claims cost for medical and prescription drug is based on the expected portion of the group's overall cost attributed to individuals in the specified age and gender brackets. Dental and vision costs are assumed to not vary with age or gender. The resulting costs are as follows:

<u>Age</u>	<u>Medical and Rx Drug Combined</u>	
	<u>Males</u>	<u>Females</u>
45-49	\$ 7,758	\$ 11,204
50-54	10,275	12,663
55-59	12,514	13,250
60-64	16,330	15,221

Retiree Contributions

Retiree Contributions are assumed to increase at the same rate as the Health Care Cost Trend Rate.

Health Care Cost Trend Rate

7.0% in 2023 with .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.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 - POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Actuarial Value of Assets

Equal to the Market Value of Assets

Actuarial Cost Method - Entry Age Normal

Under the Entry Age Normal Cost Method, the Normal Cost is the present value of benefits allocated to the year following the valuation date. Benefits are allocated on a level basis over the earnings of an individual between the date of hire and the assumed retirement age. The Accrued Liability as of the valuation date is the excess of the present value of future benefits over the present value of future Normal Cost. The Unfunded Accrued Liability is the excess of the Accrued Liability over the Actuarial Value of assets. Actuarial gains and losses serve to reduce or increase the Unfunded Accrued Liability.

Plan Participant Information

Active Participants	329
Vested Former Members	0
Retired Participants	16
Total	<u>345</u>

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (OPEB)

COST SHARING MULTIPLE- EMPLOYER DEFINED BENEFIT OPEB PLAN

1. Summary of Significant Accounting Policies

Other Postemployment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the 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 are recognized when due and payable in accordance with the benefit term. Investments are reported at fair value.

General Information about the Health Insurance Premium Assistance Program

Health Insurance Premium Assistance Program

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

Premium Assistance Eligibility Criteria

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

- Have 24 1/2 or more years of service or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the HOP or employer-sponsored health insurance program.

Plan Description

PSERS is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System included 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 publicly available financial report that can be obtained at www.psers.state.pa.us.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2024 there were no assumed future benefit increases to participating eligible retirees.

Employer Contributions:

The school districts' contractually required contribution rate for the fiscal year ended June 30, 2024 was 0.75% 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 \$0 for the year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability of \$3,059,000 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 related to the total one-year reported covered payroll. At June 30, 2024, the District's proportion was .1691 percent, which was an decrease of .01270 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized OPEB expense of \$167,000. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	20,000	30,000
Net difference between projected and actual investment earnings	7,000	
Changes in proportions	408,000	127,000
Changes in assumptions	264,000	579,000
	<u>699,000</u>	<u>736,000</u>

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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

Year ended June 30:	
2025	30,000
2026	2,000
2027	(30,000)
2028	(76,000)
2029	38,000
Thereafter	-

3. 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:

- 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 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Mortality Tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Mortality Improvement Scale.

Participation rate:

- Eligible retirees will elect to participate Pre age 65 at 50%
- Eligible retirees will elect to participate Post age 65 at 70%

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

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: 63% of eligible retirees are assumed to elect premium assistance.
- Mortality Tables for males and females, adjusted to reflect PSERS experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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.

OPEB - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	100.0%	1.02%

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 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, OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefits 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.

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

Healthcare cost trends were applied to retirees receiving less than \$1,200 in annual Premium Assistance. As of June 30, 2023, retirees Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped at a maximum of \$1,200. As of June 30, 2023, 92,677 retirees were receiving the maximum amount allowed of \$1,200 per year. As of June 30, 2023, 522 members were receiving less than the maximum amount allowed of \$1,200 per year. The actual number of retirees receiving less than the \$1,200 per year cap is a small percentage of the total population and has a minimal impact on Healthcare Cost Trends as depicted below.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the District's Proportionate share of the net OPEB liability to changes in the discount rate

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

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
School's proportionate share of the net pension liability	3,459,000	3,059,000	2,725,000

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.state.pa.us.

Single Employer Defined Benefit OPEB Plan

The District's other post-employment benefits (OPEB) include a single-employer defined benefit plan that provides medical and life insurance benefits to eligible retirees and their dependent. The School Board has the authority to establish and amend benefit provisions. The OPEB Plan does not issue any financial report and is not included in the report of any public employee retirement system.

Funding Policy

The District's contributions are funded on a pay-as-you go basis.

OPEB Liability

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

Balances as of July 1, 2023	2,683,341
Differences between expected and actual experience	-
Changes of assumptions	0
Service Cost	172,287
Interest on total OPEB liability	114,055
Benefit payments	43,003
Other changes	<u>(85,668)</u>
Net Charges	243,677
Balances as of June 30, 2024	2,927,018

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		891,966
Net difference between projected and actual investment earnings		
Changes in proportions		
Changes in assumptions	89,294	1,053,905
Benefit payments subsequent to the Measurement Date	101,917	
	191,211	1,945,871

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2025	(199,612)
2026	(199,612)
2027	(199,612)
2028	(199,612)
2029	(199,612)
Thereafter	(858,511)

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

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

	1% Decrease	Trend Rate	1% Increase
OPEB liability	2,584,525	2,927,018	3,329,048

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability for June 30, 2024, calculated using the discount rate of 4.13%, as well as what OPEB liability would be if the discount rate were 1-percentage point lower(3.13%) or 1-percentage point higher(5.13%) than the current rate:

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% increase 5.13%
OPEB liability	3,156,344	2,927,018	2,709,835

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

LEASE OBLIGATIONS - RIGHT TO USE ASSETS:

West York Area School District has recorded leased assets as a result of implementing GASB # 87. The right to use assets are initially measured at an amount equal to the measurement of the related lease liability as of July 1, 2022.

West York Area School District entered into a lease agreement in the 6/30/19 school year for a copier. The lease requires 60 monthly payments of \$6,888. The lease was recorded by the District in the financial statements as a right to use asset with a net book value of \$0.

West York Area School District entered into a lease agreement on December 1, 2019 for office space for the Administrative Offices. The lease requires 10 yearly payments of \$144,240.00. The lease was recorded by the District in the financial statements as a right to use asset with a net book value of \$865,440.

West York Area School District entered into a lease agreement on May 1, 2022 for office space for the Warehouse Space. The lease requires 10 yearly payments of \$40,000.00. The lease was recorded by the District in the financial statements as a right to use asset with a net book value of \$280,000.

Right to Use Lease Asset Activity Charts:

	Beginning Balance	Lease Additions	Amortization	Ending Balances
Copier	0		0	-
Office Lease	1,009,680		144,240	865,440
Warehouse Lease	320,000		40,000	280,000
	1,329,680	-	184,240	1,145,440

Future Minimum Payments:

Year ending June 30	Principal Payments
2025	184,240
2026	184,240
2027	184,240
2028	184,240
2029	184,240
2030	184,240
2031	40,000

WEST YORK AREA SCHOOL DISTRICT

SUPPLEMENTAL

INFORMATION

KOCHENOUR, EARNEST, SMYSER & BURG

Certified Public Accountants
710 South George Street
York, Pa. 17401

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors
West York School District
West York, Pennsylvania

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 57 through 72 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kochenour, Earnest, Smyser, & Burg

Certified Public Accountants

York, Pennsylvania
December 17, 2024

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2024

PENSION PLAN (CONTINUED)

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
District's proportion of the net pension liability (asset)	16.9200%	15.6200%	16.5300%	16.2000%	15.1100%	14.4900%
District proportionate share of the net pension liability (asset)	75,271,000	69,445,000	67,867,000	79,767,000	70,689,000	69,559,000
District's covered-employee payroll	25,912,214	22,990,291	23,446,690	22,773,230	20,843,692	19,510,437
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	290.48%	302.06%	289.45%	350.27%	339.14%	356.52%
Plan fiduciary net position as a percentage of the total pension liability	63.67%	63.67%	63.67%	54.23%	55.66%	54.00%

Amounts were determined as of the cost-sharing plan's June 30, 2024 fiscal year.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complete, available information is presented.

WEST YORK AREA SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
SCHEDULE OF DISTRICT CONTRIBUTIONS PENSION PLAN
YEAR ENDED JUNE 30, 2024

PENSION PLAN (CONTINUED)

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Contractually required contribution	8,858,547	7,788,098	7,856,431	7,566,534	6,766,615	6,148,582
Contributions in relation to the contractually required contribution	<u>8,858,547</u>	<u>7,788,098</u>	<u>7,856,431</u>	<u>7,566,534</u>	<u>6,766,615</u>	<u>6,148,582</u>
Contribution deficiency (excess)	-	-	-	-	-	-
District's covered-employee payroll	25,912,214	22,990,291	23,446,690	22,773,230	20,843,692	19,510,437
Contributions as a percentage of covered-employee payroll	34.19	33.88	33.51	33.23	32.46	31.51

Amounts were determined as of the cost-sharing plan's June 30, 2024 fiscal year.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complete, available information is presented.

**WEST YORK AREA SCHOOL DISTRICT
SCHEDULE OF CHANGES IN OPEB LIABILITY - SINGLE EMPLOYER PLAN
YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020	2019
Total OPEB Liability						
Service cost	\$ 172,287	\$ 281,748	\$ 283,049	\$ 243,407	\$ 242,305	\$ 251,340
Interest on total OPEB liability	114,055	86,610	67,152	122,673	103,369	129,821
Benefit payments	(85,668)	(59,929)	(37,581)	(65,998)	(50,160)	(95,643)
Differences between expected and actual experience	0	(295,628)	-	(302,633)	-	(802,851)
Changes in assumptions	43,003	(878,865)	(110,853)	(93,142)	(105,791)	(177,163)
Net change in total OPEB liability	243,677	(866,064)	201,767	(95,693)	189,723	(694,496)
Total OPEB Liability, Beginning	2,683,341	3,549,405	3,347,638	3,443,331	3,253,608	3,948,104
Total OPEB Liability, Ending	<u>\$ 2,927,018</u>	<u>\$ 2,683,341</u>	<u>\$ 3,549,405</u>	<u>\$ 3,347,638</u>	<u>\$ 3,443,331</u>	<u>\$ 3,253,608</u>
Covered Employee Payroll	<u>\$ 23,434,054</u>	<u>\$ 23,434,054</u>	<u>\$ 22,202,849</u>	<u>\$ 22,202,849</u>	<u>\$ 19,877,593</u>	<u>\$ 19,877,593</u>
Total OPEB Liability as a percent of covered employee payroll	12.49%	11.45%	15.99%	15.08%	17.32%	16.37%

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.

WEST YORK AREA SCHOOL DISTRICT
SCHEDULE OF SCHOOL'S PROPORTIONATE SHARE OF THE NET
OPEB LIABILITY - PSERS COST SHARING PLAN
YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021	2020	2019
School's proportion of the net OPEB liability	16.9100%	15.6400%	16.5300%	16.2000%	15.1100%	14.4900%
School's proportionate share of the net OPEB liability	<u>\$ 3,059,000</u>	<u>\$ 2,879,000</u>	<u>\$ 3,920,000</u>	<u>\$ 3,505,000</u>	<u>\$ 3,214,000</u>	<u>\$ 3,021,000</u>
School's covered-employee payroll	25,912,214	22,990,291	23,446,690	22,773,230	20,843,692	19,510,437
School's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	11.81%	12.52%	16.72%	15.39%	15.42%	15.48%
Plan fiduciary net position as a percentage of the total OPEB liability	5.30%	5.30%	5.30%	5.69%	5.56%	5.56%

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.

WEST YORK AREA SCHOOL DISTRICT
SCHEDULE OF SCHOOL'S OPEB CONTRIBUTIONS -
PSERS COST SHARING PLAN
YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021	2020	2019
Contractually required contribution	\$ 193,000	\$ 183,000	\$ 192,000	\$ 191,000	\$ 173,000	\$ 162,000
Contributions in relation to the contractually required contribution	(193,000)	(183,000)	(192,000)	(191,000)	(173,000)	(162,000)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School's covered-employee payroll	25,912,214	22,990,291	23,446,690	22,773,230	20,843,692	19,510,437
Contributions as a percentage of covered-employee payroll	0.74%	0.80%	0.82%	0.84%	0.83%	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.

KOCHENOUR, EARNEST, SMYSER & BURG

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

To the Board of Education
West York Area School District
York, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of West York Area School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated December 17, 2024.

Report on Internal Control over Financial Reporting

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

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

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

To the Board of Education
West York Area School District
York, Pennsylvania

Report on Compliance and Other Matters

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

Purpose of this Report

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

Kochenour, Earnest, Smyser & Burg

Certified Public Accountants

York, Pennsylvania
December 17, 2024

WEST YORK AREA SCHOOL DISTRICTS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FOOD NUTRITION SERVICES
 YEAR ENDED JUNE 30, 2024

Grantor/Program	Source Code	Federal CFDA Number	Pass Through Grantor's Number	Grant Period Beginning/ Ending Date	Program or Award Amount	Total Received	Accrued (Deferred) Revenue at July 1, 2023	Revenue Recognized	Expenditures	Accrued (Deferred) Revenue at June 30, 2024	
US DEPARTMENT OF EDUCATION											
Passed through the PA Dept. of Education:											
Title I-Improv. Basic Prog.	10-8514	I	84.010	013-240477	07/01/23-09/30/24	600,740	240,012	0	396,301	396,301	156,289
Title I-Improv. Basic Prog. c/o	10-8514	I	84.010	013-230477	07/01/22-09/30/23	560,588	247,849	0	247,849	247,849	0
Sub-total Title I							<u>487,861</u>	<u>0</u>	<u>644,150</u>	<u>644,150</u>	<u>156,289</u>
Title II-Improving Teacher Quality c/o	10-8515	I	84.367	020-240477	07/01/23-09/30/24	92,671	24,546	0	15,874	15,874	(8,672)
Title II-Improving Teacher Quality	10-8515	I	84.367	020-230477	07/01/22-09/30/23	82,121	38,178	0	59,994	59,994	21,816
Sub-total Title II							<u>62,724</u>	<u>0</u>	<u>75,868</u>	<u>75,868</u>	<u>13,144</u>
Title III-Language Inst LEP/Immigrant	10-8516	I	84.365	010-240477	07/01/23-09/30/24	31,238	26,803	0	31,238	31,238	4,435
Title III-Language Inst LEP/Immigrant	10-8516	I	84.365	010-220477	07/01/21-09/30/23	22,106	8,883	0	10,274	10,274	1,391
Title III-Language Inst LEP/Immigrant	10-8516	I	84.365	010-230477	07/01/22-09/30/23	28,950	21,669	0	13,149	13,149	(8,520)
Sub-total Title III							<u>57,355</u>	<u>0</u>	<u>54,661</u>	<u>54,661</u>	<u>(2,694)</u>
Title IV-Language Inst LEP/Immigrant	10-8517	I	84.424	144-240477	07/01/23-09/30/24	43,886	17,554	0	35,037	35,037	17,483
Title IV-Language Inst LEP/Immigrant	10-8517	I	84.424	144-220477	07/01/21-09/30/22	40,435	2,697	0	15,623	15,623	12,926
Title IV-Language Inst LEP/Immigrant	10-8517	I	84.424	144-230477	07/01/22-09/30/23	47,435	29,361	0	29,361	29,361	0
Sub-total Title IV							<u>49,612</u>	<u>0</u>	<u>80,021</u>	<u>80,021</u>	<u>30,409</u>
ARP ESSER	10-8744	I	84.425	223-210477	7/1/21-9/30/25	4,016,173	1,387,405	0	2,014,312	2,014,312	626,907
ARP ESSER 7%	10-8751	I	84.425	225-210477	7/1/21-9/30/25	222,962	36,485	0	9,481	9,481	(27,004)
ARP ESSER 7%	10-8752	I	84.425	225-210477	7/1/21-9/30/25	44,592	7,297	0	26,583	26,583	19,286
ARP ESSER 7%	10-8753	I	84.425	225-210477	7/1/21-9/30/25	44,592	7,297	0	36,917	36,917	29,620
ARP ESSER	10-8754	I	84.425	181-212479	7/1/21-9/30/24	22,244	3,992	0	16,215	16,215	12,223
Sub-total CARES Act-ESSER							<u>1,442,476</u>	<u>0</u>	<u>2,103,508</u>	<u>2,103,508</u>	<u>661,032</u>
Total Passed through PA Dept of Ed							<u>2,100,028</u>	<u>0</u>	<u>2,958,208</u>	<u>2,958,208</u>	<u>858,180</u>
Passed Through LIU 12											
IDEA	10-6832	I	84.027	N/A	07/01/23-06/30/24	758,314	758,314	0	758,314	758,314	0
IDEA - SECTION 619	10-6832	I	84.392	N/A	07/01/23-06/30/24	8,058	8,058	0	8,058	8,058	0
Cluster Sub-total							<u>766,372</u>	<u>0</u>	<u>766,372</u>	<u>766,372</u>	<u>0</u>
US Department of Agriculture											
Passed through the PA Department Agriculture:											
National Sch Lunch- USDA Commodities		I	10.555	N/A	07/01/23-06/30/24	na	183,657	0	183,657	183,657	0
Passed through the PA Dept. of Education:											
National School Lunch	51-8531	I	10.555	362	07/01/23-06/30/24	na	869,909	0	869,909	869,909	0
National School Brkfst-Needy	51-8531	I	10.553	365	07/01/23-06/30/24	na	405,349	0	405,349	405,349	0
National School Summer Food	51-8531	I	10.559	264	07/01/23-06/30/24	na	11,073	0	11,073	11,073	0
Supply Chain Assistance	51-8531	I	10.555	356	07/01/23-06/30/24	na	68,768	0	68,768	68,768	0
Total Passed through the PA Dept of Education							<u>1,355,099</u>	<u>0</u>	<u>1,355,099</u>	<u>1,355,099</u>	<u>0</u>
Total US Department of Agriculture-Cluster-Sub-total							<u>1,538,756</u>	<u>0</u>	<u>1,538,756</u>	<u>1,538,756</u>	<u>0</u>
P-EBT Local Admin	51-8531	I	10.649	358	07/01/23-06/30/24	na	5,763	0	5,763	5,763	0
Total Federal Assistance							<u>4,410,919</u>	<u>0</u>	<u>5,269,099</u>	<u>5,269,099</u>	<u>858,180</u>
State											
State School Lunch	50-7601	I	N/A	510	07/01/23-06/30/24	na	39,919	0	39,919	39,919	0
State School Brkfst-Needy	50-7601	I	N/A	511	07/01/23-06/30/24	na	20,377	0	20,377	20,377	0
State Breakfast Initiative		I	N/A	521	07/01/23-06/30/24	na	155,166	0	155,166	155,166	0
Total State Food Subsidy							<u>215,462</u>	<u>0</u>	<u>215,462</u>	<u>215,462</u>	<u>0</u>

WEST YORK AREA SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

NOTE 1 - ORGANIZATION AND SCOPE

West York Area School District, York County, Pennsylvania operates a senior high, a middle school and four elementary schools.

The district received federal funds to operate the programs for the benefit of some of the students as detailed on the Schedule of Expenditures of Federal Awards, which covers the period from July 1, 2023 to June 30, 2024.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District reports federal programs in its financial statements and on the Schedule of Federal Awards on the accrual basis.

NOTE 3 - REPORTING ENTITY

The West York Area School District Board is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the West York Area School District. The District receives funding from local, state and federal government sources and must comply with their accompanying requirements. However, the Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since Board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The reporting entity for West York Area School District consists only of those funds, functions, and activities controlled by the School Board and required or allowed by State laws and regulations.

The financial statement of the School District includes all funds and activities that are controlled by or dependent on the School District. Control or dependence is determined on the basis of budget adoption, taxing authority, and funding and appointment of advisors.

NOTE 4 - FEDERAL AWARDS

Total Expenditures	\$ 5,451,561
Less: State Expenditures	<u>215,462</u>
Total Federal Expenditures	5,236,099
	40.00%
	<u>\$ 2,094,440</u>

West York Area School District falls under the 40% rule for testing federal programs.

<u>Federal Program Tested</u>		
National School Lunch	938,677	
Breakfast Program	405,349	
Summer Food	11,073	
Donated Commodities	183,657	
ARP-ESSER	2,103,508	
IDEA	766,372	
	<u>\$ 4,408,636</u>	84%

NOTE 5 - PCCD GRANTS 6/30/22 YEAR

The following PCCD Grants should have been included on the SEFA for the 6/30/22 year.

Grant -	ESSERS School Health and Safety Grants	
Assistance Listing Number (ALN) - 84.425D	84.425D	
Grant Number -	2020-ES-01-35209	
Expenditure Amount -	\$39,653.16	
The above amount of \$39,653.16 should have been added to the SEFA for the 6/30/22 year as an expenditure for the Program listed above.		

KOCHENOUR, EARNEST, SMYSER & BURG

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

To the Board of Education
West York Area School District
York, Pennsylvania

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited West York Area School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of West York Area School District's major federal programs for the year ended June 30, 2024. West York Area School 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, West York Area School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of West York Area School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of West York Area School District's 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 West York Area School 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 West York Area School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered

To the Board of Education
West York Area School District
York, Pennsylvania

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 West York Area School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement 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 West York Area School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of West York Area School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of West York Area School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weakness 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.

Kochenour, Earnest, Smyser & Burg

Certified Public Accountants

York, Pennsylvania
December 17, 2024

WEST YORK AREA SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

A. Summary of the Auditors' Results:

1. An unmodified opinion was issued on the District's financial statements at June 30, 2024.
2. There were no significant deficiencies or material weaknesses in internal control disclosed by the audit of the financial statements.
3. There was no noncompliance disclosed during our audit which was material to the financial statements.
4. There were no significant deficiencies or material weaknesses disclosed in internal control over the federal programs tested.
5. An unmodified opinion was issued on the compliance of the federal programs tested.
6. There were no audit findings for the fiscal year ended June 30, 2024.
7. The federal programs tested as major programs was the National School Lunch, Breakfast Program, Summer Food, Donated Commodities, IDEA and ARP-ESSER which accounted for 84% of federal expenditures. West York Area School District falls under the 40% rule for testing federal programs.
8. Federal expenditures are \$750,000 or more but less than \$25 million. Type A Programs are the programs with total program expended funds of \$750,000 or more.
9. West York Area School District was determined to not be a low-risk auditee.

B. Findings relating to the financial statements which are required to be reported under generally accepted government auditing standards issued by the Comptroller General of the United States.

There were no findings for West York Area School District for the fiscal year ending June 30, 2024.

C. Findings and Questioned Costs for Federal Awards

There were no findings or questioned costs for Federal Awards in fiscal year ending June 30, 2024.

WEST YORK AREA SCHOOL DISTRICT
STATUS OF PRIOR YEAR'S FINDINGS
JUNE 30, 2024

There were no findings or questioned costs for federal awards in fiscal year ending June 30, 2023.

KOCHENOUR, EARNEST, SMYSER & BURG

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COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE UNDER SAS NO. 114

December 17, 2024

Board of Directors
West York Area School District
York, Pennsylvania

We have audited the financial statements of West York Area School District for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated May 9, 2024. Professional standards also require that we communicate to you the following information related to our audit.

In planning and performing our audit of the financial statements of West York Area School District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered West York Area School District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be significant deficiencies or material weaknesses, as defined above.

Board of Directors
West York Area School District
York, Pennsylvania

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We have given management journal entries to post to their financial records which they have completed. We are pleased to report that no such disagreements arose during the course of our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 17, 2024.

Recommendations:

The Payroll Liability Accounts for payment to various government agencies contained posting errors throughout the year which were corrected by an adjustment which was approved by management.

The District's interfund accounts contained posting errors throughout the year which were corrected by an adjustment which was approved by management. The interfund accounts appear on the balance sheets of the general fund and food service fund.

Adjustments also were made to the general fund cash account for posting errors. There were approved by management also.

We recommend that the accounts mentioned above along with the other balance sheet accounts be reconciled on a timely basis to ensure postings are correct.

This communication is intended solely for the information and use of management, West York Area School District, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

We would like to take this opportunity to thank Sheri Schlemmer and her staff for the cooperation and assistance we received during the audit.

Sincerely,

Kochenour, Earnest, Smyser & Burg
Certified Public Accountants

APPENDIX F
BOND AMORTIZATION SCHEDULE

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)