

BUCYRUS CITY SCHOOL DISTRICT

CRAWFORD COUNTY, OHIO

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2025



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Board of Education
Bucyrus City School District
170 Plymouth Street
Bucyrus, OH 44820-1627

We have reviewed the *Independent Auditor's Report* of the Bucyrus City School District, Crawford County, prepared by Julian & Grube, Inc., for the audit period July 1, 2024 through June 30, 2025. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Bucyrus City School District is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

April 09, 2026

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**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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Independent Auditor's Report

Bucyrus City School District
Crawford County
170 Plymouth Street
Bucyrus, Ohio 44820

To the Members of the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bucyrus City School District, Crawford County, Ohio, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Bucyrus City School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bucyrus City School District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and for the fiscal 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 Bucyrus City School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 3 to the financial statements, Bucyrus City School District restated beginning net position as a result of a change in accounting principle by implementing GASB Statement No. 101, "Compensated Absences". Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bucyrus City 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 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bucyrus City 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 Bucyrus City 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, schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions, and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 Bucyrus City School District's basic financial statements. The accompanying 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*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025 on our consideration of Bucyrus City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Bucyrus City 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 Bucyrus City School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.
December 18, 2025

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**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The management's discussion and analysis of Bucyrus City School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2025 are as follows:

- In total, net position increased \$1,668,324. Net position of governmental activities increased \$1,675,093 which represents a 6.35% increase from 2024's net position. Net position of business-type activities decreased \$6,769 or 19.25% from 2024.
- General revenues accounted for \$16,821,235 in revenue or 76.54% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, and grants and contributions accounted for \$5,156,515 or 23.46% of total governmental activities revenues of \$21,977,750.
- The School District had \$20,302,657 in expenses related to governmental activities; only \$5,156,515 of expenses were offset by program specific charges for services and sales, grants or contributions. General revenues supporting governmental activities (primarily property taxes and unrestricted grants and entitlements) of \$16,821,235 were used to provide for these programs.
- The School District's major governmental funds are the general fund and the capital projects fund. The general fund had \$17,887,152 in revenues and \$23,299,389 in expenditures and other financing uses. The fund balance of the general fund decreased \$5,412,237 from a balance of \$14,035,966 to \$8,623,729.
- The capital projects fund had a zero beginning balance and an ending fund balance of \$5,500,000. The only activity in the fund was a transfer in from the general fund of \$5,500,000.

Using this 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 the School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *statement of net position* and *statement of activities* provide information about the activities of the whole 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. For governmental funds, these statements tell how 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 nonmajor funds presented in total in one column. The School District's major governmental funds are the general fund and the capital projects fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2025?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* except for fiduciary funds using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

These two statements report the School District's *net position* and changes in that position. This change in net position 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, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the School District 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, operations and maintenance, pupil transportation, extracurricular activities and food service operations.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The School District's early childhood development program is reported as a business-type activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major funds are the general fund and the capital projects fund.

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 you determine whether there are more or fewer 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 position and the statement of activities) and governmental *funds* is reconciled in the financial statements.

Proprietary Funds

There are two types of proprietary funds: enterprise funds and internal service funds. The enterprise funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the School District as a whole. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District's internal service fund accounts for employee benefits self-insurance.

Reporting the School District's Fiduciary Responsibilities

Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Custodial funds are the School District's only fiduciary fund type. The District did not have any custodial fund activity during fiscal year 2025.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Notes to the Basic Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the general fund budgetary information, the School District's net pension liability, net OPEB asset/liability and pension and OPEB contributions.

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**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. The School District restated net position at June 30, 2024 for the implementation of GASB Statement No. 101. The table below provides a summary of the School District's net position for 2025 and 2024.

	Net Position					
	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<u>Assets</u>						
Current assets	\$ 26,228,612	\$ 25,809,959	\$ 28,391	\$ 35,160	\$ 26,257,003	\$ 25,845,119
Net OPEB asset	1,003,692	993,262	-	-	1,003,692	993,262
Capital assets, net	<u>28,613,276</u>	<u>29,164,233</u>	<u>-</u>	<u>-</u>	<u>28,613,276</u>	<u>29,164,233</u>
Total assets	<u>55,845,580</u>	<u>55,967,454</u>	<u>28,391</u>	<u>35,160</u>	<u>55,873,971</u>	<u>56,002,614</u>
<u>Deferred outflows of resources</u>						
Pension	3,012,722	3,085,869	-	-	3,012,722	3,085,869
OPEB	540,615	647,800	-	-	540,615	647,800
Unamortized deferred charges on debt refunding	<u>71,601</u>	<u>82,760</u>	<u>-</u>	<u>-</u>	<u>71,601</u>	<u>82,760</u>
Total deferred outflows of resources	<u>3,624,938</u>	<u>3,816,429</u>	<u>-</u>	<u>-</u>	<u>3,624,938</u>	<u>3,816,429</u>
<u>Liabilities</u>						
Current liabilities	1,878,443	1,931,403	-	-	1,878,443	1,931,403
Long-term liabilities:						
Due within one year	1,325,423	853,578	-	-	1,325,423	853,578
Due in more than one year:						
Net pension liability	13,390,591	14,600,632	-	-	13,390,591	14,600,632
Net OPEB liability	645,309	1,099,795	-	-	645,309	1,099,795
Other amounts	<u>7,538,258</u>	<u>7,271,089</u>	<u>-</u>	<u>-</u>	<u>7,538,258</u>	<u>7,271,089</u>
Total liabilities	<u>24,778,024</u>	<u>25,756,497</u>	<u>-</u>	<u>-</u>	<u>24,778,024</u>	<u>25,756,497</u>
<u>Deferred inflows of resources</u>						
Property taxes levied for the next fiscal year	2,978,189	2,865,478	-	-	2,978,189	2,865,478
Pension	1,839,031	1,416,181	-	-	1,839,031	1,416,181
OPEB	<u>1,823,437</u>	<u>1,795,960</u>	<u>-</u>	<u>-</u>	<u>1,823,437</u>	<u>1,795,960</u>
Total deferred inflows of resources	<u>6,640,657</u>	<u>6,077,619</u>	<u>-</u>	<u>-</u>	<u>6,640,657</u>	<u>6,077,619</u>
<u>Net Position</u>						
Net investment in capital assets	22,314,792	22,092,994	-	-	22,314,792	22,092,994
Restricted	3,105,783	3,071,287	-	-	3,105,783	3,071,287
Unrestricted	<u>2,631,262</u>	<u>2,785,486</u>	<u>28,391</u>	<u>35,160</u>	<u>2,659,653</u>	<u>2,820,646</u>
Total net position	<u>\$ 28,051,837</u>	<u>\$ 27,949,767</u>	<u>\$ 28,391</u>	<u>\$ 35,160</u>	<u>\$ 28,080,228</u>	<u>\$ 27,984,927</u>

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2025 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2024, the School District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the School District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

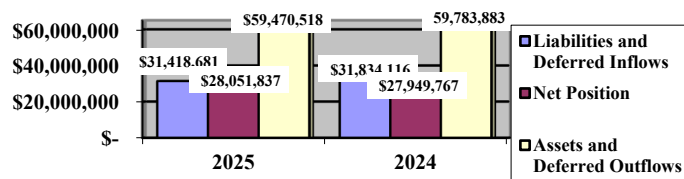
Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB asset/liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB asset/liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

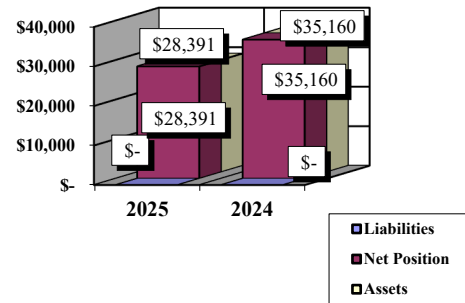
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The graph below shows the School District's assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position at June 30, 2025 and 2024.

Governmental - Net Position



Business-Type - Net Position



The table below shows the changes in net position for fiscal years 2025 and 2024.

Change in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<u>Revenues</u>						
Program revenues:						
Charges for services and sales	\$ 540,381	\$ 421,759	\$ 23,342	\$ 28,517	\$ 563,723	\$ 450,276
Operating grants and contributions	4,465,344	4,719,449	-	-	4,465,344	4,719,449
Capital grants and contributions	150,790	-	-	-	150,790	-
General revenues:						
Property taxes	6,150,707	5,487,579	-	-	6,150,707	5,487,579
Grants and entitlements not restricted	9,930,798	9,743,215	-	-	9,930,798	9,743,215
Investment earnings and change in fair value	694,812	658,137	-	-	694,812	658,137
Miscellaneous	44,918	50,978	-	-	44,918	50,978
Total revenues	<u>21,977,750</u>	<u>21,081,117</u>	<u>23,342</u>	<u>28,517</u>	<u>22,001,092</u>	<u>21,109,634</u>

- Continued

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Governmental Activities		Business-Type Activities		Totals	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<u>Expenses</u>						
Program expenses:						
Instruction:						
Regular	\$ 6,293,714	\$ 6,714,680	\$ -	\$ -	\$ 6,293,714	\$ 6,714,680
Special	3,657,698	3,954,740	-	-	3,657,698	3,954,740
Vocational	42,126	27,213	-	-	42,126	27,213
Other	1,006,787	921,507	-	-	1,006,787	921,507
Support services:						
Pupil	749,825	787,919	-	-	749,825	787,919
Instructional staff	446,084	369,470	-	-	446,084	369,470
Board of education	39,110	79,939	-	-	39,110	79,939
Administration	1,980,266	1,747,723	-	-	1,980,266	1,747,723
Fiscal	648,332	627,465	-	-	648,332	627,465
Business	842,931	962,981	-	-	842,931	962,981
Operations and maintenance	1,958,316	1,727,745	-	-	1,958,316	1,727,745
Pupil transportation	541,520	471,727	-	-	541,520	471,727
Central	333,139	348,300	-	-	333,139	348,300
Operation of non-instructional services:						
Food service operations	945,283	1,003,281	-	-	945,283	1,003,281
Other non-instructional services	71,000	27,608	-	-	71,000	27,608
Extracurricular activities	606,799	648,674	-	-	606,799	648,674
Interest and fiscal charges	139,727	173,199	-	-	139,727	173,199
Early childhood development	-	-	30,111	31,249	30,111	31,249
Total expenses	<u>20,302,657</u>	<u>20,594,171</u>	<u>30,111</u>	<u>31,249</u>	<u>20,332,768</u>	<u>20,625,420</u>
Changes in net position	1,675,093	486,946	(6,769)	(2,732)	1,668,324	484,214
Net position at beginning of year, as previously reported	<u>27,949,767</u>	<u>27,462,821</u>	<u>35,160</u>	<u>37,892</u>	<u>27,984,927</u>	<u>27,500,713</u>
Restatement - change in accounting principal	(1,573,023)	-	-	-	(1,573,023)	-
Net position at beginning of year, restated	<u>26,376,744</u>	<u>27,462,821</u>	<u>35,160</u>	<u>37,892</u>	<u>26,411,904</u>	<u>27,500,713</u>
Net position at end of year	<u>\$ 28,051,837</u>	<u>\$ 27,949,767</u>	<u>\$ 28,391</u>	<u>\$ 35,160</u>	<u>\$ 28,080,228</u>	<u>\$ 27,984,927</u>

Governmental Activities

Net position of the School District's governmental activities increased \$1,668,324. Total governmental expenses of \$20,302,657 were offset by program revenues of \$5,156,515 and general revenues of \$16,821,235. Program revenues supported 25.40% of the total governmental expenses.

Expenses of the governmental activities decreased \$291,514 or 1.42%, this is primarily a result of ESSER and COVID related grants that are no longer available.

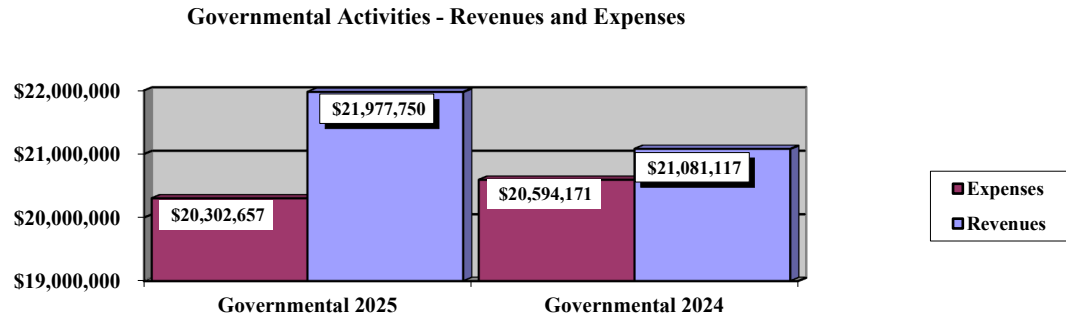
The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 73.17% of total governmental revenue.

The largest expense of the School District is for instructional programs. Instruction expenses totaled \$11,000,325 or 54.18% of total governmental expenses for fiscal year 2025.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The graph below presents the School District's governmental activities revenue and expenses for fiscal years 2025 and 2024.



The statement of activities shows the cost of program services and the charges for services and grants and contributions offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2025 and 2024. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

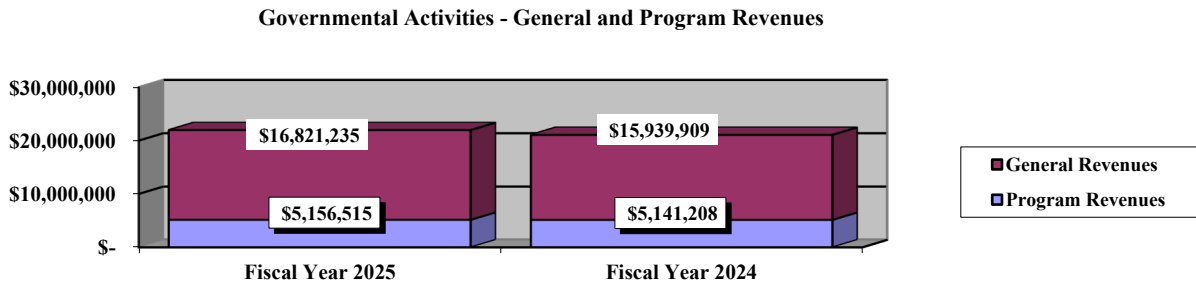
	Total Cost of Services <u>2025</u>	Net Cost of Services <u>2025</u>	Total Cost of Services <u>2024</u>	Net Cost of Services <u>2024</u>
Program expenses:				
Instruction:				
Regular	\$ 6,293,714	\$ 5,663,451	\$ 6,714,680	\$ 5,762,031
Special	3,657,698	1,021,820	3,954,740	1,455,076
Vocational	42,126	(114,707)	27,213	27,213
Other	1,006,787	1,006,787	921,507	921,507
Support services:				
Pupil	749,825	360,466	787,919	426,699
Instructional staff	446,084	411,232	369,470	320,866
Board of education	39,110	39,110	79,939	79,939
Administration	1,980,266	1,966,180	1,747,723	1,734,000
Fiscal	648,332	631,729	627,465	627,465
Business	842,931	842,931	962,981	962,981
Operations and maintenance	1,958,316	1,954,763	1,727,745	1,725,172
Pupil transportation	541,520	525,597	471,727	383,038
Central	333,139	299,828	348,300	321,115
Operation of non-instructional services:				
Food service operations	945,283	(54,964)	1,003,281	47,861
Other non-instructional services	71,000	23,864	27,608	6,800
Extracurricular activities	606,799	428,328	648,674	478,001
Interest and fiscal charges	139,727	139,727	173,199	173,199
Total expenses	\$ 20,302,657	\$ 15,146,142	\$ 20,594,171	\$ 15,452,963

The dependence upon tax revenues during fiscal year 2025 for governmental activities is apparent, as 74.60% of 2025 governmental activities are supported through taxes and other general revenues. The School District's taxpayers and unrestricted grants and entitlements from the State are the primary support for the School District's students.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The graph below presents the School District's governmental activities revenue for fiscal years 2025 and 2024.



Business-Type Activities

Business-type activities include early childhood development operations. These programs had revenues of \$23,342 and expenses of \$30,111 for fiscal year 2025. The School District's business-type activities do not receive support from tax revenues.

The School District's Funds

The School District's governmental funds reported a combined fund balance of \$15,819,183 which is \$77,977 more than last year's total of \$15,819,183. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2025 and 2024.

	<u>Fund Balance June 30, 2025</u>	<u>Fund Balance June 30, 2024</u>	<u>Change</u>
General	\$ 8,623,729	\$ 14,035,966	\$ (5,412,237)
Capital projects	5,500,000	-	5,500,000
Other governmental	<u>1,773,431</u>	<u>1,783,217</u>	<u>(9,786)</u>
Total	<u>\$ 15,897,160</u>	<u>\$ 15,819,183</u>	<u>\$ 77,977</u>

General Fund

The School District's general fund balance decreased \$5,412,237 during fiscal year 2025. The table that follows assists in illustrating the revenues of the general fund.

	<u>2025 Amount</u>	<u>2024 Amount</u>	<u>Percentage Change</u>
<u>Revenues</u>			
Taxes	\$ 5,383,175	\$ 4,098,354	31.35 %
Intergovernmental	11,591,681	11,539,041	0.46 %
Other revenues	<u>912,296</u>	<u>723,605</u>	26.08 %
Total	<u>\$ 17,887,152</u>	<u>\$ 16,361,000</u>	9.33 %

During fiscal year 2025 the general fund's revenues increased 9.33%. Property taxes increased due to an increase in the amount available for advance, which fluctuates due to the timing of tax bills sent by the County and due to a reappraisal of property values by the County. The increase in other revenue was primarily a result of an increase in investment income / change in fair value of investments related to market performance and increased interest rates. The table that follows assists in illustrating the expenditures of the general fund.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>2025</u> <u>Amount</u>	<u>2024</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Expenditures</u>			
Instruction	\$ 9,789,466	\$ 9,580,984	2.18 %
Support services	7,501,164	7,405,816	1.29 %
Extracurricular activities	467,467	450,872	3.68 %
Debt service	<u>41,292</u>	<u>30,639</u>	34.77 %
Total	<u>\$ 17,799,389</u>	<u>\$ 17,468,311</u>	1.90 %

During fiscal year 2025 the general fund's expenditures increased 1.90% from fiscal year 2024. The increase in instructional expenditures was due to increased costs of wages and benefits, including health insurance premiums.

General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio 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 course of fiscal year 2025, the School District amended its general fund budget. The School District uses site-based budgeting, and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, final budgeted revenues and other financing sources of \$16,141,122 were \$639,445 below actual revenues and other financing sources of \$16,780,567. The original budgeted revenues were the same as the final budgeted revenues, as there were no budget amendments to general fund revenues.

General fund final appropriations were \$19,355,170. The actual budget basis expenditures and other financing uses for fiscal year 2025 totaled \$23,450,419 which was \$4,095,249 more than the final budget appropriations. This variance is due to a transfer out of the general fund of \$5,500,000 that was not included in the final appropriations. The final appropriations were \$247,784 more than the original appropriations of \$19,107,386.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2025, the School District had \$28,613,276 invested in land, construction in progress, land/improvements, buildings/improvements, furniture/equipment, vehicles and right to use assets. The following table shows fiscal year 2025 balances compared to the 2024 balances:

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Capital Assets at June 30
(Net of Depreciation/Amortization)**

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Land	\$ 424,160	\$ 424,160
Construction in progress	-	175,000
Land/improvements	361,537	387,735
Building/improvements	26,165,327	26,609,402
Furniture/equipment	778,964	623,101
Vehicles	520,037	584,558
Right to use assets	363,251	360,277
Total	<u>\$ 28,613,276</u>	<u>\$ 29,164,233</u>

See Note 7 to the basic financial statements for detail on the School District's capital assets.

Debt Administration

At June 30, 2025 the School District had \$6,110,162 in general obligation bonds, SBITA and lease obligations outstanding. Of this total debt outstanding, \$805,162 is due within one year and \$5,305,000 is due in more than one year. The table below summarizes the bonds outstanding:

Outstanding Debt, at June 30

	Governmental Activities <u>2025</u>	Governmental Activities <u>2024</u>
Current interest bonds	\$ 6,070,000	\$ 6,775,000
SBITA	10,338	20,370
Lease obligations	29,824	58,198
Total	<u>\$ 6,110,162</u>	<u>\$ 6,853,568</u>

See Note 9 to the basic financial statements for detail on the School District's debt administration.

Current Financial Related Activities – Economic Outlook

This five-year forecast is submitted as Bucyrus City Schools enters fiscal year 2026 with both opportunities and challenges. Inflation has cooled nationally but remains a factor in district costs, particularly in wages, health insurance, utilities, and capital projects. Salaries and benefits represent nearly three-quarters of revenue, and while current cash reserves are strong at \$7.27 million, deficit spending is projected to begin in fiscal year 2026, drawing the balance down to just over \$2.0 million by fiscal year 2030.

Revenue trends are mixed. A 9.75% increase in property tax collections is anticipated in fiscal year 2026 due to the 2025 reappraisal, though possible state-level tax changes create some uncertainty. State foundation funding reflects a modest increase in fiscal year 2026 and 2027 under the new biennial budget, but projections remain flat in the later years of the forecast. Interest income is expected to soften as rates decline, while tuition and open enrollment revenues are stable but limited.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Federal stimulus funds are no longer available, leaving the district dependent on state and local sources at a time when operating costs continue to rise. Negotiated staff contracts, higher insurance premiums, and planned capital improvements such as HVAC replacements and roof repairs are significant drivers of expenditure growth. The forecast reflects a careful balance: maintaining quality educational services while planning for long-term sustainability in a climate of rising costs and limited new revenue.

Risks and Uncertainty:

1) **Property Reappraisal (2024):** Crawford County's sexennial reappraisal was finalized in late 2024, using sales from 2021–2023, and the changes have been reflected in 2025 tax bills. While the reappraisal is complete, precise percentage increases for Class I vs. Class II properties for Bucyrus City Schools have not been definitively published. At the state level, attention has shifted to the 20-mill floor. The Governor vetoed the provision that would have included emergency, substitute, growth, conversion, and combined levies in the calculation. Legislators are challenging this veto and have already attempted an override, though so far the veto of the 20-mill floor adjustment has not been successfully overturned. The outcome remains uncertain, and the district will monitor developments closely.

2) **State Funding and Fair School Funding Plan (FSFP):** The FSFP was phased in at 50% in fiscal year 2024 and 66.67% in fiscal year 2025 under HB33, with funding levels projected to hold flat in fiscal year 2026 and beyond. While this provides stability in the short term, it also creates risk for the district, as costs tied to inflation, staffing, and student needs may rise without corresponding increases in state support. Lawmakers have also signaled potential underfunding of the plan in future budgets, leaving uncertainty about the state's long-term commitment and increasing the likelihood that districts will need to rely more heavily on local revenue sources.

3) **State Revenue Dependence:** State funding comprises approximately 58% of the district's revenue. As such, any downturn in the state economy or changes to the FSFP could significantly impact our forecast, particularly in fiscal year 2026 and beyond.

5) **Education Funding Changes:** HB33 shifts certain costs, such as open enrollment and community school costs, directly to the state, reducing deductions from our aid. However, programs like College Credit Plus continue to pose risks by removing state aid and increasing district expenses.

6) **Labor Relations:** The district maintains positive labor relations, and we expect this to continue as we navigate fiscal challenges. Any future changes in labor contracts or staffing levels will be carefully managed to align with our financial outlook.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Lisa Thoman-Cha, Treasurer, Bucyrus City School District, 170 Plymouth Street, Bucyrus, Ohio 44820.

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BASIC
FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	\$ 19,058,228	\$ 28,391	\$ 19,086,619
Receivables:			
Property taxes	6,194,019	-	6,194,019
Accounts	6,955	-	6,955
Accrued interest	64,795	-	64,795
Intergovernmental	790,680	-	790,680
Prepayments	104,954	-	104,954
Materials and supplies inventory	2,507	-	2,507
Inventory held for resale	6,474	-	6,474
Net OPEB asset	1,003,692	-	1,003,692
Capital assets:			
Nondepreciable capital assets	424,160	-	424,160
Depreciable capital assets, net	28,189,116	-	28,189,116
Capital assets, net	28,613,276	-	28,613,276
Total assets	55,845,580	28,391	55,873,971
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	71,601	-	71,601
Pension	3,012,722	-	3,012,722
OPEB	540,615	-	540,615
Total deferred outflows of resources	3,624,938	-	3,624,938
Liabilities:			
Accounts payable	31,387	-	31,387
Accrued wages and benefits payable	1,333,489	-	1,333,489
Matured compensated absences payable	13,051	-	13,051
Intergovernmental payable	31,723	-	31,723
Pension and postemployment benefits payable	234,618	-	234,618
Accrued interest payable	13,085	-	13,085
Claims payable	221,090	-	221,090
Long-term liabilities:			
Due within one year	1,325,423	-	1,325,423
Due in more than one year:			
Net pension liability	13,390,591	-	13,390,591
Net OPEB liability	645,309	-	645,309
Other amounts due in more than one year	7,538,258	-	7,538,258
Total liabilities	24,778,024	-	24,778,024
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	2,978,189	-	2,978,189
Pension	1,839,031	-	1,839,031
OPEB	1,823,437	-	1,823,437
Total deferred inflows of resources	6,640,657	-	6,640,657
Net position:			
Net investment in capital assets	22,314,792	-	22,314,792
Restricted for:			
Capital projects	173,553	-	173,553
Classroom facilities maintenance	437,212	-	437,212
Debt service	1,006,660	-	1,006,660
State funded programs	13,761	-	13,761
Food service operations	348,457	-	348,457
Extracurricular	113,586	-	113,586
Other purposes	8,862	-	8,862
OPEB	1,003,692	-	1,003,692
Unrestricted	2,631,262	28,391	2,659,653
Total net position	\$ 28,051,837	\$ 28,391	\$ 28,080,228

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Instruction:				
Regular	\$ 6,293,714	\$ 11,820	\$ 618,443	\$ -
Special	3,657,698	144,038	2,491,840	-
Vocational	42,126	-	6,043	150,790
Other	1,006,787	-	-	-
Support services:				
Pupil	749,825	-	389,359	-
Instructional staff	446,084	-	34,852	-
Board of education	39,110	-	-	-
Administration	1,980,266	-	14,086	-
Fiscal	648,332	-	16,603	-
Business	842,931	-	-	-
Operations and maintenance	1,958,316	1,956	1,597	-
Pupil transportation	541,520	-	15,923	-
Central	333,139	-	33,311	-
Operation of non-instructional services:				
Food service operations	945,283	209,714	790,533	-
Other non-instructional services	71,000	-	47,136	-
Extracurricular activities	606,799	172,853	5,618	-
Interest and fiscal charges	139,727	-	-	-
Total governmental activities	<u>20,302,657</u>	<u>540,381</u>	<u>4,465,344</u>	<u>150,790</u>
Business-type activities:				
Early Childhood Development	<u>30,111</u>	<u>23,342</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>30,111</u>	<u>23,342</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 20,332,768</u>	<u>\$ 563,723</u>	<u>\$ 4,465,344</u>	<u>\$ 150,790</u>

General revenues:

Property taxes levied for:

 General purposes

 Debt service

 Capital outlay

 Classroom facilities maintenance

Grants and entitlements not restricted

 to specific programs

Investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position at beginning of year, as previously reported

Restatement - change in accounting principal

Net position at beginning of year, restated

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (5,663,451)	\$ -	\$ (5,663,451)
(1,021,820)	-	(1,021,820)
114,707	-	114,707
(1,006,787)	-	(1,006,787)
(360,466)	-	(360,466)
(411,232)	-	(411,232)
(39,110)	-	(39,110)
(1,966,180)	-	(1,966,180)
(631,729)	-	(631,729)
(842,931)	-	(842,931)
(1,954,763)	-	(1,954,763)
(525,597)	-	(525,597)
(299,828)	-	(299,828)
54,964	-	54,964
(23,864)	-	(23,864)
(428,328)	-	(428,328)
(139,727)	-	(139,727)
(15,146,142)	-	(15,146,142)
-	(6,769)	(6,769)
-	(6,769)	(6,769)
(15,146,142)	(6,769)	(15,152,911)
5,185,164	-	5,185,164
818,916	-	818,916
53,684	-	53,684
92,943	-	92,943
9,930,798	-	9,930,798
694,812	-	694,812
44,918	-	44,918
16,821,235	-	16,821,235
1,675,093	(6,769)	1,668,324
27,949,767	35,160	27,984,927
(1,573,023)	-	(1,573,023)
26,376,744	35,160	26,411,904
\$ 28,051,837	\$ 28,391	\$ 28,080,228

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 7,169,597	\$ 5,500,000	\$ 1,722,162	\$ 14,391,759
Receivables:				
Property taxes	5,241,132	-	952,887	6,194,019
Accounts	2,864	-	-	2,864
Accrued interest	64,795	-	-	64,795
Intergovernmental	317,652	-	473,028	790,680
Prepayments	104,515	-	439	104,954
Materials and supplies inventory	-	-	2,507	2,507
Inventory held for resale	-	-	6,474	6,474
Due from other funds	274,723	-	-	274,723
Total assets	<u>\$ 13,175,278</u>	<u>\$ 5,500,000</u>	<u>\$ 3,157,497</u>	<u>\$ 21,832,775</u>
Liabilities:				
Accounts payable	\$ 13,541	\$ -	\$ 17,846	\$ 31,387
Accrued wages and benefits payable	1,105,051	-	228,438	1,333,489
Compensated absences payable	13,051	-	-	13,051
Intergovernmental payable	28,878	-	2,845	31,723
Pension and postemployment benefits payable	198,785	-	35,833	234,618
Due to other funds	-	-	274,723	274,723
Total liabilities	<u>1,359,306</u>	<u>-</u>	<u>559,685</u>	<u>1,918,991</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	2,523,171	-	455,018	2,978,189
Delinquent property tax revenue not available	669,072	-	126,473	795,545
Intergovernmental revenue not available	-	-	242,890	242,890
Total deferred inflows of resources	<u>3,192,243</u>	<u>-</u>	<u>824,381</u>	<u>4,016,624</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	2,507	2,507
Prepays	104,515	-	439	104,954
Restricted:				
Debt service	-	-	906,659	906,659
Capital improvements	-	-	166,648	166,648
Classroom facilities maintenance	-	-	430,307	430,307
Food service operations	-	-	397,335	397,335
Non-public schools	-	-	13,761	13,761
Extracurricular	-	-	113,586	113,586
Other purposes	-	-	8,862	8,862
Assigned:				
Student and staff support	121,078	-	-	121,078
Subsequent year's appropriations	1,735,129	-	-	1,735,129
Capital projects	-	5,500,000	-	5,500,000
Unassigned (deficit)	<u>6,663,007</u>	<u>-</u>	<u>(266,673)</u>	<u>6,396,334</u>
Total fund balances	<u>8,623,729</u>	<u>5,500,000</u>	<u>1,773,431</u>	<u>15,897,160</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 13,175,278</u>	<u>\$ 5,500,000</u>	<u>\$ 3,157,497</u>	<u>\$ 21,832,775</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2025

Total governmental fund balances		\$ 15,897,160
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		28,613,276
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 795,545	
Intergovernmental receivable	242,890	
Total		1,038,435
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		4,449,470
Unamortized premiums on bonds issued are not recognized in the funds.		(259,923)
Unamortized amounts on refundings are not recognized in the funds.		71,601
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(13,085)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows - pension	3,012,722	
Deferred inflows - pension	(1,839,031)	
Net pension liability	(13,390,591)	
Deferred outflows - OPEB	540,615	
Deferred inflows - OPEB	(1,823,437)	
Net OPEB asset	1,003,692	
Net OPEB liability	(645,309)	
Total		(13,141,339)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(6,070,000)	
Lease obligations	(29,824)	
SBITA	(10,338)	
Compensated absences	(2,493,596)	
Total		(8,603,758)
Net position of governmental activities		<u>\$ 28,051,837</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General	(Formerly Nonmajor) Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 5,383,175	\$ -	\$ 1,029,187	\$ 6,412,362
Intergovernmental	11,591,681	-	2,832,614	14,424,295
Investment earnings	694,812	-	9,834	704,646
Tuition and fees	155,858	-	-	155,858
Extracurricular	9,134	-	140,808	149,942
Rental income	1,956	-	-	1,956
Charges for services	-	-	209,714	209,714
Contributions and donations	5,618	-	3,159	8,777
Miscellaneous	44,918	-	23,911	68,829
Total revenues	<u>17,887,152</u>	<u>-</u>	<u>4,249,227</u>	<u>22,136,379</u>
Expenditures:				
Current:				
Instruction:				
Regular	5,923,188	-	628,772	6,551,960
Special	2,850,208	-	1,022,453	3,872,661
Vocational	9,283	-	132,295	141,578
Other	1,006,787	-	-	1,006,787
Support services:				
Pupil	729,933	-	100,469	830,402
Instructional staff	419,880	-	35,885	455,765
Board of education	39,889	-	-	39,889
Administration	2,004,433	-	46,903	2,051,336
Fiscal	638,457	-	27,886	666,343
Business	793,668	-	17,156	810,824
Operations and maintenance	2,009,665	-	149,362	2,159,027
Pupil transportation	547,212	-	1,653	548,865
Central	318,027	-	33,311	351,338
Operation of non-instructional services:				
Food service operations	-	-	972,660	972,660
Other non-instructional services	-	-	71,000	71,000
Extracurricular activities	467,467	-	144,642	612,109
Debt service:				
Principal retirement	38,406	-	705,000	743,406
Interest and fiscal charges	2,886	-	169,566	172,452
Total expenditures	<u>17,799,389</u>	<u>-</u>	<u>4,259,013</u>	<u>22,058,402</u>
Excess (deficiency) of revenues over (under) expenditures	<u>87,763</u>	<u>-</u>	<u>(9,786)</u>	<u>77,977</u>
Other financing sources (uses):				
Transfers in	-	5,500,000	-	5,500,000
Transfers (out)	(5,500,000)	-	-	(5,500,000)
Total other financing sources (uses)	<u>(5,500,000)</u>	<u>5,500,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(5,412,237)	5,500,000	(9,786)	77,977
Fund balances at beginning of year	<u>14,035,966</u>	<u>-</u>	<u>1,783,217</u>	<u>15,819,183</u>
Fund balances at end of year	<u>\$ 8,623,729</u>	<u>\$ 5,500,000</u>	<u>\$ 1,773,431</u>	<u>\$ 15,897,160</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds	\$	77,977
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 532,249	
Current year depreciation	<u>(1,083,206)</u>	
Total		(550,957)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(261,655)	
Intergovernmental	<u>103,026</u>	
Total		(158,629)
Repayment of bond, SBITA and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		743,406
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
(Increase) in accrued interest payable	3,376	
Amortization of bond premiums	40,508	
Amortization of deferred charges	<u>(11,159)</u>	
Total		32,725
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,374,881	
OPEB	<u>43,625</u>	
Total		1,418,506
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(660,837)	
OPEB	<u>286,629</u>	
Total		(374,208)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		26,445
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>459,828</u>
Change in net position of governmental activities	<u>\$</u>	<u>1,675,093</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Total Business-Type Activities - Early Childhood Development	Governmental Activities - Internal Service Funds
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 28,391	\$ 4,666,469
Receivables:		
Accounts	-	4,091
Total assets	<u>28,391</u>	<u>4,670,560</u>
Liabilities:		
Claims payable	-	221,090
Total liabilities	<u>-</u>	<u>221,090</u>
Net position:		
Unrestricted	<u>28,391</u>	<u>4,449,470</u>
Total net position	<u><u>\$ 28,391</u></u>	<u><u>\$ 4,449,470</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Operating revenues:		
Tuition and fees	\$ 23,342	\$ -
Sales/charges for services	-	3,212,532
Total operating revenues	<u>23,342</u>	<u>3,212,532</u>
Operating expenses:		
Purchased services	27,850	561,279
Materials and supplies	2,261	-
Claims	-	2,191,425
Total operating expenses	<u>30,111</u>	<u>2,752,704</u>
Change in net position	(6,769)	459,828
Net position at beginning of year	<u>35,160</u>	<u>3,989,642</u>
Net position at end of year	<u><u>\$ 28,391</u></u>	<u><u>\$ 4,449,470</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS LOCAL SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Cash flows from operating activities:		
Cash received from tuition and fees	\$ 23,342	\$ -
Cash received from sales/charges for services	-	3,208,441
Cash payments for contractual services	(27,850)	(561,279)
Cash payments for materials and supplies	(2,261)	-
Cash payments for claims	-	(2,204,608)
Net cash provided by (used in) operating activities	(6,769)	442,554
Net increase (decrease) in cash and investments	(6,769)	442,554
Cash and investments at beginning of year	35,160	4,223,915
Cash and investments at end of year	<u><u>\$ 28,391</u></u>	<u><u>\$ 4,666,469</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (6,769)	\$ 459,828
Changes in assets and liabilities:		
Accounts receivable	-	(4,091)
Claims payable	-	(13,183)
Net cash provided by (used in) operating activities	<u><u>\$ (6,769)</u></u>	<u><u>\$ 442,554</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

Bucyrus City School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District was established in 1850. The School District serves an area of approximately six square miles. It is located in Crawford County. It is staffed by 43 classified employees, 87 certified employees and 12 administrators who provide services to 1,103 students and other community members. The School District currently operates one elementary school, one high school/middle school, one athletic/community building, and one central office.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to insure the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Bucyrus City School District, this includes general operations, food service, and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. There are no component units of Bucyrus City School District.

The following activity is included within the School District’s reporting entity:

The School District participates in three jointly governed organizations and two insurance pools. These organizations are META, Pioneer Career and Technology Center, Ohio School Council, the Ohio School Plan and the Ohio School Boards Association Workers’ Compensation Group Rating Plan. These organizations are presented in Notes 15 and 16 to the basic financial statements.

The basic financial statements of Bucyrus City School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the School District’s accounting policies.

B. Basis of Presentation

The School District’s basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements distinguish between those activities of the School District that are governmental activities (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges).

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

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial reporting is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

C. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into three categories; governmental, proprietary, and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

General fund - The general fund is used to account for all financial resources, except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Capital projects fund - The capital projects fund is used to account for financial resources assigned for future construction of capital assets.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Other governmental funds of the School District are used to account for:

Nonmajor special revenue funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Nonmajor capital projects funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Nonmajor debt service funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

PROPRIETARY FUNDS

Proprietary fund reporting focuses on the determination of operating income, change in net position, financial position, and cash flows.

Enterprise fund - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District has one enterprise fund that accounts for revenues from an after school care program.

Internal service fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the School District, or to other governments, on a cost-reimbursement basis. The only internal service fund of the School District accounts for a self-insurance program which provides medical/surgical, dental and vision benefits to employees.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The School District has no fiduciary funds.

D. Measurement Focus

Government-Wide Financial Statements - The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Like the government-wide financial statements, the proprietary and custodial funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net position. The statement of revenues, expenses, and change in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the School District finances and meets the cash flow needs of its enterprise activity.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

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

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

Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year-end: property taxes available as an advance, grants, interest, tuition, student fees, and charges for services.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 12 and 13 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2025, but which were levied to finance fiscal year 2026 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 12 and 13 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the statement of fund activity, certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The statement of fund activity demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control is at the fund level for all funds. Budgetary allocations at the function and object level within all funds are made by the School District Treasurer.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Board.

The appropriations resolution is subject to amendment throughout the fiscal year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriations resolution for that fund that covered the entire fiscal year, including amounts automatically carried forward from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

G. Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "Equity in Pooled Cash and Investments".

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

During fiscal year 2025, the School District invested in US government money market mutual funds, commercial paper, negotiable certificates of deposit, US Treasury Notes and federal agency securities. Investments are reported at fair value.

The School District allocates interest earnings according to State statutes. Interest revenue credited to the general fund during fiscal year 2025 was \$694,812 which includes \$308,526 assigned from other School District funds.

Investments of the School District's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

H. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepayments in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At fiscal year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

I. Inventory

On government-wide financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventories are accounted for using the consumption method on the government-wide statements and the fund financial statements.

On the fund financial statements, reported material and supplies inventory is equally offset by nonspendable fund balance in the governmental funds, which indicates that it does not constitute available spending resources even though it is a component of net current assets.

Inventory consists of administrative supplies and donated and purchased food.

J. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions. The District has no restricted assets.

K. Capital Assets

All of the School District's capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position, but are not reported on the fund financial statements.

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their acquisition value on the date donated. The School District maintains a capitalization threshold of two thousand five hundred dollars. Improvements are capitalized. In addition, assets having an estimated useful life of more than one year that are below the capitalization threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All capital assets, except land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land improvements	20 - 40 years
Buildings and improvements	25 - 138 years
Furniture and equipment	10 - 50 years
Vehicles	10 - 15 years
Intangible leased assets	5 years

The School District is reporting intangible right to use assets related to leased equipment and software. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

L. Deferred Charge on Refunding

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This deferred amount is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as deferred outflows of resources on the statement of net position.

M. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from interfund loans are classified as "Due to/Due from other funds" and receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/payables". Interfund balances are eliminated on the statement of net position, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as "Internal Balances".

N. Compensated Absences

The School District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The School District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Sick Leave

The School District 's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the School District and, upon separation from service, the employee receives compensation in accordance with the severance policy. A liability for estimated value of sick leave that will be used by employees as time off and at separation is included in the liability for compensated absences.

O. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise fund are reported on the enterprise 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. However, compensated absences and net pension liability that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they come due for payment during the current fiscal year. Bonds are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

P. Unamortized Premium

On government-wide financial statements, premiums are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of bonds payable.

On the governmental fund financial statements, bond premiums are recognized in the period when the debt is issued.

Q. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes includes amounts restricted for special trust and other grants.

The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

R. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The School District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

S. Operating Revenue and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are tuition and fees for an after school care program. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

T. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments made for interfund services provided and used are not eliminated.

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

U. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, net OPEB asset, deferred outflows of resources and deferred inflows of resources related pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

V. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

W. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. During fiscal year 2025, the School District did not incur any transactions that would be classified as an extraordinary item or special item.

X. Fair Value

The School District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2025, the School District has implemented GASB Statement No. 101, "Compensated Absences" and GASB Statement No. 102, "Certain Risk Disclosures".

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. These changes were incorporated into the School District's fiscal year 2025 financial statements.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 102 improves financial reporting by providing users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The implementation of GASB Statement No. 102 did not have an effect on the financial statements of the School District.

B. Deficit Fund Balances

Fund balances at June 30, 2025 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Early Childhood Education	\$ 29,803
21st Century	88,924
IDEA Part B	43,101
Title I	88,635
Student Support and Academic Enrichment	16,210

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

C. Change within the Financial Reporting Entity

For fiscal year 2025, the School District's capital projects fund presentation was adjusted from nonmajor to major due to now meeting the qualitative threshold for a major fund. This capital projects fund had a zero beginning balance.

D. Restatement of Net Position

During fiscal year 2025, there was a change in accounting principle related to the implementation of GASB Statement No. 101, "*Compensated Absences*". The effect of changing the accounting principle is to decrease net position as previously reported. This is displayed where applicable in the financial statements as "restatement - change in accounting principle".

E. Compliance

The District had disbursements exceeding appropriations in the General Fund and is in noncompliance with Ohio Revised Code Sections 5705.40 and 5705.41(B).

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the School District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio);
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one-hundred-eighty days and two-hundred-seventy days, respectively, from the purchase date in an amount not to exceed forty percent of the interim monies available for investment at any one time; and,

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

A. Deposits with Financial Institutions

At June 30, 2025, the carrying amount of all School District deposits was \$11,087,561. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2025, \$10,852,566 of the School District's bank balance of \$11,352,566 was covered by the FDIC or the Ohio Pooled Collateral System (OPCS).

Custodial credit risk is the risk that, in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For fiscal year 2025, the School District financial institutions participated in the OPCS. Those financial institutions that did participate were approved for a reduced collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

B. Investments

As of June 30, 2025, the School District had the following investments and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair Value:						
FFCB	\$ 328,058	\$ 98,750	\$ -	\$ -	\$ -	\$ 229,308
FHLB	392,986	-	146,647	96,610	-	149,729
FHLMC	99,840	-	-	-	-	99,840
FNMA	119,862	-	-	-	-	119,862
US Treasury Notes	5,030,848	-	-	-	302,262	4,728,586
Negotiable CDs	1,663,889	320,291	149,196	-	-	1,194,402
Commercial paper	282,544	-	282,544	-	-	-
US Government Money Market	81,031	81,031	-	-	-	-
Total	\$ 7,999,058	\$ 500,072	\$ 578,387	\$ 96,610	\$ 302,262	\$ 6,521,727

The weighted average maturity of investments is 2.91 years.

The School District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The School District's investments in federal agency securities (FFCB, FHLB, FHLMC, and FNMA), US Treasury Notes, negotiable CDs, and commercial paper, are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the School District's investment policy limits investment portfolio maturities to five years or less.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Credit Risk: The School District's investments in federal securities and US Treasury Notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The District's investments in commercial paper were rated an A-1 or A-1+ by Standard & Poor's and P-1 by Moody's. The U.S. Government money market and negotiable CDs are not rated. The School District's investment policy does not specifically address credit risk beyond requiring the School District to only invest in securities authorized by State statute.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the School District at June 30, 2025:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value:</i>		
FFCB	\$ 328,058	4.10
FHLB	392,986	4.91
FHLMC	99,840	1.25
FNMA	119,862	1.50
US Treasury Notes	5,030,848	62.90
Negotiable CDs	1,663,889	20.80
Commercial paper	282,544	3.53
US Government Money Market	81,031	1.01
Total	<u>\$ 7,999,058</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2025:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 11,087,561
Investments	<u>7,999,058</u>
Total	<u>\$ 19,086,619</u>
<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 19,058,228
Business-type activities	<u>28,391</u>
Total	<u>\$ 19,086,619</u>

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 5 - RECEIVABLES

Receivables at June 30, 2025 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of Federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:

Property taxes	\$ 6,194,019
Accounts	6,955
Intergovernmental	790,680
Accrued interest	64,795

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2025 represent the collection of calendar year 2024 taxes. Real property taxes received in calendar year 2025 were levied after April 1, 2024, on the assessed values as of January 1, 2024, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2025 represent the collection of calendar year 2024 taxes. Public utility real and personal property taxes received in calendar year 2025 became a lien on December 31, 2023, were levied after April 1, 2024, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The School District receives property taxes from Crawford County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2025, are available to finance fiscal year 2026 operations. The amount available as an advance at June 30, 2025 and 2024 were:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Major governmental funds:		
General fund	\$ 2,048,889	\$ 1,456,880
Nonmajor governmental funds:		
Bond retirement fund	328,132	273,352
Permanent improvement fund	21,632	17,782
Classroom facilities maintenance fund	21,632	17,782

The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 6 - PROPERTY TAXES - (Continued)

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2025 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.

The assessed values upon which the fiscal year 2025 taxes were collected are:

	2024 Second Half Collections		2025 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 134,752,680	93.16	\$ 182,997,580	94.56
Public utility personal	<u>9,895,170</u>	<u>6.84</u>	<u>10,533,800</u>	<u>5.44</u>
Total	<u>\$ 144,647,850</u>	<u>100.00</u>	<u>\$ 193,531,380</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$58.85		\$54.27	

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**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	<u>Balance 06/30/24</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 06/30/25</u>
Governmental activities:				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 424,160	\$ -	\$ -	\$ 424,160
Construction in progress	<u>175,000</u>	<u>164,350</u>	<u>(339,350)</u>	<u>-</u>
Total capital assets, not being depreciated/amortized	<u>599,160</u>	<u>164,350</u>	<u>(339,350)</u>	<u>424,160</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	1,520,247	-	-	1,520,247
Buildings and improvements	40,382,549	339,350	-	40,721,899
Furniture and equipment	1,643,488	193,323	-	1,836,811
Vehicles	1,491,742	-	-	1,491,742
Intangible right to use:				
Equipment	111,332	-	-	111,332
Software	<u>471,718</u>	<u>174,576</u>	<u>(113,407)</u>	<u>532,887</u>
Total capital assets, being depreciated/amortized	<u>45,621,076</u>	<u>707,249</u>	<u>(113,407)</u>	<u>46,214,918</u>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(1,132,512)	(26,198)	-	(1,158,710)
Buildings and improvements	(13,773,147)	(783,425)	-	(14,556,572)
Furniture and equipment	(1,020,387)	(37,460)	-	(1,057,847)
Vehicles	(907,184)	(64,521)	-	(971,705)
Intangible right to use:				
Equipment	(55,666)	(27,833)	-	(83,499)
Software	<u>(167,107)</u>	<u>(143,769)</u>	<u>113,407</u>	<u>(197,469)</u>
Total accumulated depreciation/amortization	<u>(17,056,003)</u>	<u>(1,083,206)</u>	<u>113,407</u>	<u>(18,025,802)</u>
Governmental activities capital assets, net	<u>\$ 29,164,233</u>	<u>\$ (211,607)</u>	<u>\$ (339,350)</u>	<u>\$ 28,613,276</u>

**BUCYRUS CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 7 - CAPITAL ASSETS - (Continued)

Depreciation/amortization expense was charged to governmental functions as follows:

<u>Instruction:</u>		
Regular	\$	678,258
Special		69,062
Vocational		24,334
<u>Support services:</u>		
Pupil		13,267
Instructional staff		3,140
Administration		35,145
Fiscal		4,739
Business		32,107
Operations and maintenance		82,618
Pupil transportation		53,455
Extracurricular activities		36,018
Food service operations		<u>51,063</u>
Total depreciation/amortization expense	\$	<u>1,083,206</u>

NOTE 8 - INTERFUND TRANSACTIONS

A. Due to / Due From Other Funds

Interfund balances at June 30, 2025 as reported on the fund statements, consist of the following amounts due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Nonmajor governmental funds	\$ 274,723

The primary purpose of the due to/from other funds is to cover negative cash in various nonmajor governmental funds. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

B. Interfund Transfers

Interfund transfers for the fiscal year ended June 30, 2024, consisted of the following, as reported on the fund financial statements:

<u>Transfer from General fund to:</u>	<u>Amount</u>
Nonmajor governmental fund	\$ 5,500,000

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 9 - LONG-TERM OBLIGATIONS

The School District has restated compensated absences as of June 30, 2024 due to the implementation of GASB Statement 101 (see Note 3 for detail), as reflected below. During the fiscal year 2025, the following changes occurred in governmental activities long-term obligations.

	Restated Balance 06/30/24	Increase	Decrease	Balance 06/30/25	Amount Due in One Year
<u>Governmental Activities:</u>					
General Obligation Bonds					
School Improvement Refunding					
Bonds FY2020					
Serial Bonds 0.51-5.0%	\$ 6,775,000	\$ -	\$ (705,000)	\$ 6,070,000	\$ 765,000
Total General Obligation Bonds	<u>6,775,000</u>	<u>-</u>	<u>(705,000)</u>	<u>6,070,000</u>	<u>765,000</u>
Net Pension Liability	14,600,632	-	(1,210,041)	13,390,591	-
Net OPEB Liability	1,099,795	-	(454,486)	645,309	-
Lease obligation	58,198	-	(28,374)	29,824	29,824
SBITA	20,370	-	(10,032)	10,338	10,338
Compensated Absences*	<u>2,520,041</u>	<u>-</u>	<u>(26,445)</u>	<u>2,493,596</u>	<u>520,261</u>
Total Governmental Activities					
Long-Term Obligations	<u>\$ 25,074,036</u>	<u>\$ -</u>	<u>\$ (2,434,378)</u>	<u>\$ 22,639,658</u>	<u>\$ 1,325,423</u>
		Add: Unamortized Premium		259,923	
			Total on Statement of Net Position	<u>\$ 22,899,581</u>	

* Changes in compensated absences are netted for reported purposes.

FY2020 School Improvement Refunding Bonds - On October 15, 2020, the School District issued general obligation bonds, in the amount of \$6,795,000, to partially refund bonds previously issued in fiscal year 2013 for the renovation of an elementary school and renovation/addition to the high school. The refunding bond issue includes serial bonds, in the amount of \$6,905,000. The bonds were issued at a premium of \$445,849. The bonds were issued for a twelve year period, with final maturity in fiscal year 2032. The bonds are being retired through the Bond Retirement debt service fund (a nonmajor governmental fund).

The net proceeds of the refunding bond issue, in the amount of \$7,097,031, were used to purchase U.S. government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the FY2013 School Improvement Refunding bonds. As a result, \$6,905,000 of the FY2013 School Improvement Refunding bonds are considered to be defeased and the liability for the bonds has been removed from the School District's financial statements.

Although the refunding will result in a deferred outflow of \$123,674 the School District in effect decreased its aggregate debt service payments by \$527,549 over the next twelve years and obtained an economic gain (difference between present values of the old and new debt service payments) of \$471,253.

Leases Payable – The School District has entered into a lease agreement for the use of right to use equipment. The School District will report an intangible capital asset and corresponding liability for the future scheduled payments under the lease. The lease payments will be paid from the general fund.

The School District has entered into a lease agreement for copier equipment for a four year term beginning in 2023 with monthly payments.

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of future lease payments under the lease agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 29,824	\$ 814	\$ 30,638
Total	<u>\$ 29,824</u>	<u>\$ 814</u>	<u>\$ 30,638</u>

Subscription-Based Information Technology Arrangements Payable - The School District has entered into SBITA agreements for the use of right to use software. The School District reports an intangible capital asset and corresponding liability for the future scheduled payments under the agreements. The subscription payments were paid from the general fund.

The following is a schedule of future payments under the SBITA agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 10,338	\$ 314	\$ 10,652
Total	<u>\$ 10,338</u>	<u>\$ 314</u>	<u>\$ 10,652</u>

Compensated absences will be paid from the general fund and the food service nonmajor special revenue fund.

The School District's net pension liability is described in Note 12. The School District pays obligations related to employee compensation from the fund benefitting their service.

The School District's net OPEB liability/asset is described in Note 13. The School District pays obligations related to employee compensation from the fund benefitting their service.

The School District's overall debt margin was \$12,199,703 with an unvoted debt margin of \$193,531 at June 30, 2025.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2025, were as follows:

<u>Fiscal Year</u>	<u>FY2020</u>		
	<u>General Obligation Bonds</u>		
<u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 765,000	\$ 151,941	\$ 916,941
2027	800,000	113,691	913,691
2028	845,000	73,691	918,691
2029	885,000	62,706	947,706
2030	900,000	48,900	948,900
2031 - 2032	<u>1,875,000</u>	<u>51,816</u>	<u>1,926,816</u>
Total	<u>\$ 6,070,000</u>	<u>\$ 502,745</u>	<u>\$ 6,572,745</u>

NOTE 10 - SET-ASIDES

The School District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 10 - SET-ASIDES - (Continued)

The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside balance June 30, 2024	\$ -
Current year set-aside requirement	240,489
Current year offsets	(161,729)
Prior year offset from bond proceeds	<u>(78,760)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2026	<u>\$ -</u>
Set-aside balance June 30, 2025	<u>\$ -</u>

During fiscal year 2007, the District issued \$13,150,000 in capital related school improvement bonds. These proceeds may be used to reduce the capital improvements set-aside amount to \$0 for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the capital improvements set-aside balance to \$0. During 2025, the District transferred \$5,500,000 from the general fund to the capital projects fund. This transfer may be used as an offset in future periods. The District is responsible for tracking the amount of bond proceeds and transfers that may be used as an offset in future periods, which was \$12,052,805 and \$5,500,000, respectively at June 30, 2025.

NOTE 11 - RISK MANAGEMENT

A. Ohio School Plan

The School District belongs to the Ohio School Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 400 Ohio schools ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity. The Plan provides property, general liability, educator's legal liability, automobile and violence coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the member's specific deductible.

The Plan issues its own policies and reinsures the Plan with reinsurances carriers. Only if the Plan's paid liability loss ratio exceeds 65 percent and is less than 80 percent does the Plan contribute to paid claims. (See the Plan's audited financial statements on the website for more details.) The individual members are responsible for their self-retention (deductible) amounts, which vary from member to member.

The Plan's audited financial statements conform with GAAP and reported the following assets, liabilities and net position at December 31, 2024, 2023 and 2022 (latest information available):

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 11 - RISK MANAGEMENT – (Continued)

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Assets	\$ 22,289,992	\$ 19,048,264	\$ 17,878,913
Liabilities	17,599,774	13,713,334	11,253,693
Net Position	4,690,218	5,334,930	6,625,220

You can read the complete audited financial statements for The Ohio School Plan at the Plan's website, www.ohioschoolplan.org under "Financials".

Coverages provided to the School District through the Plan are as follows:

Buildings and Contents - replacement cost \$109,442,709
Auto Liability 4,000,000
General Liability
Each Occurrence 4,000,000
Aggregate 6,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in insurance coverage from the prior fiscal year.

B. Worker's Compensation

For fiscal year 2025, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

C. Medical Insurance

The School District offers medical and drug insurance to all employees through a self-insured program through the self-insurance internal service fund. The School District purchased stop loss insurance for claims in excess of \$100,000 per individual. The School District has reinsurance for claims above \$100,000, with a capped maximum of \$1,000,000. Settled claims have not exceeded this coverage for the past three years. Claims payable is based on the requirements of Governmental Accounting Standards Board Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Claims payable at June 30, 2025, was estimated by the third party administrator at \$221,090.

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 11 - RISK MANAGEMENT - (Continued)

The change in the claims liability for the past two fiscal years is as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2025	\$ 234,273	\$ 2,191,425	\$ (2,204,608)	\$ 221,090
2024	152,624	2,340,518	(2,258,869)	234,273

NOTE 12 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability/Asset

The net pension liability and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions/OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represent the School District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

The Ohio Revised Code limits the School District's obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the School District does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension/OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually required pension contribution outstanding at the end of the year is included in pension and postemployment benefits payable on both the accrual and modified accrual basis of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description - The School District's non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017 will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost-of-living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0%. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 2.5% cost-of-living adjustment (COLA) for calendar year 2024.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the School District is required to contribute 14.00% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10.00% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2025, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2025, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$391,522 for fiscal year 2025. Of this amount, \$52,223 is reported as pension and postemployment benefits payable.

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Licensed teachers and other faculty members participate in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at www.strsoh.org.

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined (CO) Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of credited service. Effective August 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 - July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any age; or five years of service credit and age 65. Effective on or after August 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.

In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a permanent 1 percent COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits effective Aug. 1, 2023, can retire with 29 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after Aug. 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

The DC Plan allows members to place all of their member contributions and 11.09% of the 14% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate is deposited into the member's DC account and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service, who is determined to be disabled, may qualify for a disability benefit. New members, on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2025 employer and employee contribution rate of 14% was equal to the statutory maximum rates. For fiscal year 2025, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$983,329 for fiscal year 2025. Of this amount, \$153,064 is reported as pension and postemployment benefits payable.

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

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.065197700%	0.051071080%	
Proportion of the net pension liability current measurement date	<u>0.062728400%</u>	<u>0.052914790%</u>	
Change in proportionate share	<u>-0.002469300%</u>	<u>0.001843710%</u>	
Proportionate share of the net pension liability	\$ 3,208,930	\$ 10,181,661	\$ 13,390,591
Pension expense	\$ 229,344	\$ 431,493	\$ 660,837

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ 122,515	\$ 641,179	\$ 763,694
Net difference between projected and actual earnings on pension plan investments	-	-	-
Changes of assumptions	28,707	469,226	497,933
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	-	376,214	376,214
Contributions subsequent to the measurement date	391,552	983,329	1,374,881
Total deferred outflows of resources	<u>\$ 542,774</u>	<u>\$ 2,469,948</u>	<u>\$ 3,012,722</u>
	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 5,574	\$ 5,574
Net difference between projected and actual earnings on pension plan investments	200,715	875,416	1,076,131
Changes of assumptions	-	353,193	353,193
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	161,630	242,503	404,133
Total deferred inflows of resources	<u>\$ 362,345</u>	<u>\$ 1,476,686</u>	<u>\$ 1,839,031</u>

\$1,374,881 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2026	\$ (228,628)	\$ (582,492)	\$ (811,120)
2027	136,787	955,542	1,092,329
2028	(60,262)	(237,420)	(297,682)
2029	(59,020)	(125,697)	(184,717)
Total	<u>\$ (211,123)</u>	<u>\$ 9,933</u>	<u>\$ (201,190)</u>

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2137.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2024 and June 30, 2023, are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.40%	2.40%
Future salary increases, including inflation	3.25% to 13.58%	3.25% to 13.58%
COLA or ad hoc COLA	2.00% on or after April 1, 2018, COLAs for future retirees will be delayed for 3 years following commencement	2.00% on or after April 1, 2018, COLAs for future retirees will be delayed for 3 years following commencement
Investment rate of return	7.00% net of system expenses	7.00% net of system expenses
Actuarial cost method	Entry age normal (level percent of payroll)	Entry age normal (level percent of payroll)

In 2024, mortality rates were based on the following:

Service Retirement: PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Disabled Retirement: PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Contingent Survivor: PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

In the prior measurement date, mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five-year period ended June 30, 2020.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. Ohio Revised Code Section 3309.15 and the Board-adopted Investment Policy govern investment activity at SERS. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

As of June 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (geometric)</u>
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	<u>100.00 %</u>	

Discount Rate - Total pension liability for 2024 was calculated using the discount rate of 7.00%. The discount rate determination did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 20-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate for fiscal year 2024 was 14%. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return, 7.00%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all 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 benefits to determine the total pension liability. The annual money-weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2024 was 9.31%.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%), or one percentage point higher (8.00%) than the current rate.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

	1% Decrease	Current Discount Rate	1% Increase
School District's proportionate share of the net pension liability	\$ 4,909,221	\$ 3,208,930	\$ 1,777,380

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2024 and June 30, 2023, actuarial valuations are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	Varies by service from 2.50% to 8.50%
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.00%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%, effective July 1, 2017	0.00%, effective July 1, 2017

For the June 30, 2024 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2024 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.90 %
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	<u>100.00 %</u>	

* Final target weights reflected at October 1, 2022.

**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.40% and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described previously. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2024.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption:

	1% Decrease	Current Discount Rate	1% Increase
School District's proportionate share of the net pension liability	\$ 16,424,803	\$ 10,181,661	\$ 4,901,035

Assumption and Benefit Changes Since the Prior Measurement Date - The discount rate remained at 7.00% for June 30, 2024 valuation.

Retirement rates were extended to younger ages intended to ensure that the ranges in retirement eligibility impacted participants at such ages.

Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

**BUCYRUS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 12 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

The Health Care program is financed through a combination of employer contributions, recipient premiums, investment returns, and any funds received on behalf of SERS' participation in Medicare programs. The System's goal is to maintain a health care reserve account with a 20-year solvency period in order to ensure that fluctuations in the cost of health care do not cause an interruption in the program. However, during any period in which the 20-year solvency period is not achieved, the System shall manage the Health Care Fund on a pay-as-you-go basis.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2025, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2025, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2025, the School District's surcharge obligation was \$43,625.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$43,625 for fiscal year 2025. Of this amount, \$43,625 is reported as pension and postemployment benefits payable.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

Plan Description - The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage.

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2025, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability/asset was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability/asset was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.066757600%	0.051071080%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.063359000%</u>	<u>0.052914790%</u>	
Change in proportionate share	<u>-0.003398600%</u>	<u>0.001843710%</u>	
Proportionate share of the net OPEB liability	\$ 645,309	\$ -	\$ 645,309
Proportionate share of the net OPEB asset	\$ -	\$ (1,003,692)	\$ (1,003,692)
OPEB expense	\$ (65,390)	\$ (221,239)	\$ (286,629)

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 43,633	\$ 43,633
Net difference between projected and actual earnings on OPEB plan investments	3,150	-	3,150
Changes of assumptions	276,971	123,544	400,515
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	45,698	3,994	49,692
Contributions subsequent to the measurement date	43,625	-	43,625
Total deferred outflows of resources	<u>\$ 369,444</u>	<u>\$ 171,171</u>	<u>\$ 540,615</u>
	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 695,814	\$ 108,162	\$ 803,976
Net difference between projected and actual earnings on OPEB plan investments	-	43,099	43,099
Changes of assumptions	296,431	452,658	749,089
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	213,079	14,194	227,273
Total deferred inflows of resources	<u>\$ 1,205,324</u>	<u>\$ 618,113</u>	<u>\$ 1,823,437</u>

\$43,625 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2026.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2026	\$ (210,504)	\$ (155,989)	\$ (366,493)
2027	(142,509)	(69,649)	(212,158)
2028	(111,034)	(87,707)	(198,741)
2029	(104,808)	(81,502)	(186,310)
2030	(103,862)	(66,191)	(170,053)
Thereafter	(206,788)	14,096	(192,692)
Total	<u>\$ (879,505)</u>	<u>\$ (446,942)</u>	<u>\$ (1,326,447)</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2024 and June 30, 2023 are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.40%	2.40%
Future salary increases, including inflation	3.25% to 13.58%	3.25% to 13.58%
Investment rate of return	7.00% net of investment expense, including inflation	7.00% net of investment expense, including inflation
Actuarial cost method	Entry Age Normal (Level Percent of Payroll)	Entry Age Normal (Level Percent of Payroll)
Fiduciary net position is projected to be depleted	2059	2048
Municipal bond index rate	3.93%	3.86%
Single equivalent interest rate, net of plan investment expense, including price inflation	4.88%	4.27%
Medical trend assumption	7.00 to 4.40%	6.75 to 4.40%

In 2024, the following mortality assumptions were used:

Healthy Retirees - PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females.

Disabled Retirees - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.

Contingent Survivors - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

Actives - PUB-2010 General Amount Weighted Below Median Employee mortality table.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Mortality Projection - Mortality rates are projected using a fully generational projection with Scale MP-2020.

In the prior measurement date, the following mortality assumptions were used:

Healthy Retirees - PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females.

Disabled Retirees - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.

Contingent Survivors - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

Actives - PUB-2010 General Amount Weighted Below Median Employee mortality table.

Mortality Projection - Mortality rates are projected using a fully generational projection with Scale MP-2020.

The most recent experience study was completed for the five-year period ended June 30, 2020.

The long-term expected rate on plan assets of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent five-year experience study was performed for the period covering fiscal years 2016 through 2020, and was adopted by the Board on April 15, 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

As of June 30, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	100.00 %	

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2024, was 4.88%. The discount rate used to measure total OPEB liability prior to June 30, 2024, was 4.27%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position is projected to be depleted in 2059 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2023 and the June 30, 2024 total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate was 3.93% at June 30, 2024 and 3.86% at June 30, 2023.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the proportionate share of the net OPEB liability, what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.88%) and higher (5.88%) than the current discount rate (4.88%). Also shown is what the proportionate share of the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate (7.00% decreasing to 4.40%).

	1% Decrease	Current Discount Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$ 860,496	\$ 645,309	\$ 474,313

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$ 436,204	\$ 645,309	\$ 920,159

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2024 actuarial valuation, compared with June 30, 2023 actuarial valuation, are presented below:

	June 30, 2024		June 30, 2023	
Projected salary increases	Varies by service from 2.50% to 8.50%		Varies by service from 2.50% to 8.50%	
Investment rate of return	7.00%, net of investment expenses, including inflation		7.00%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Discount rate of return	7.00%		7.00%	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	7.50%	3.94%	7.50%	4.14%
Medicare	-112.22%	3.94%	-10.94%	4.14%
Prescription Drug				
Pre-Medicare	8.00%	3.94%	-11.95%	4.14%
Medicare	-15.14%	3.94%	1.33%	4.14%

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For the June 30, 2024 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2024 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

Assumption Changes Since the Prior Measurement Date - The discount rate remained unchanged at 7.00% for the June 30, 2024 valuation.

Benefit Term Changes Since the Prior Measurement Date - Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation*</u>	<u>Long-Term Expected Real Rate of Return **</u>
Domestic Equity	26.00 %	6.90 %
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	<u>1.00</u>	2.40
Total	<u>100.00 %</u>	

* Final target weights reflected at October 1, 2022.

**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.40% and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on health care plan investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2024.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2024, calculated using the current period discount rate assumption of 7.00%, as well as what the proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the proportionate share of the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's proportionate share of the net OPEB asset	\$ 816,068	\$ 1,003,692	\$ 1,166,966

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's proportionate share of the net OPEB asset	\$ 1,177,995	\$ 1,003,692	\$ 794,071

NOTE 14 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred seventy-four days for classified employees and two hundred sixty-three days for certified employees. Upon retirement, payment is made for thirty percent of accrued but unused sick leave credit for classified employees and for certified employees payment is made based on accrued but unused sick leave credit as follows:

<u>Sick Leave Balance</u>	<u>Maximum Days Paid</u>
At least 235 days	65
At least 175 days	55
At least 100 days	50
Less than 100 days	30% of balance

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 14 - OTHER EMPLOYEE BENEFITS - (Continued)

B. Health Care Benefits

The School District offers medical insurance to all employees through a self-insurance program. Dental insurance is offered to all employees through Coresource, Inc. Life insurance is through the Metropolitan Educational Council.

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS

A. Metropolitan Educational Technology Association (META)

The School District is a participant in the Metropolitan Educational Technology Association (META), which is a computer consortium. META is an association of public school districts within the boundaries of Athens, Crawford, Delaware, Erie, Franklin, Knox, Licking, Lorain, Marion, Morrow, Muskingum, Union and Wyandot Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions amount member school districts. The governing board of META consists of twelve members of participating school districts. Financial information can be obtained from META, 100 Executive Drive, Marion, Ohio 43302.

B. Pioneer Career and Technology Center

The Pioneer Career and Technology Center (Center) is a distinct political subdivision of the State of Ohio which provides vocational education. The Center operates under the direction of a Board consisting of eleven appointed members from the fourteen participating school districts. The Board possesses its own budgeting and taxing authority. The degree of control exercised by the School District is limited to its representation on the Board. Financial information can be obtained from Pioneer Career and Technology Center, 27 Ryan Road, Shelby, Ohio 44875.

C. Ohio Schools Council

The Ohio School Council (OSC) is a purchasing cooperative made up of more than two-hundred-eighty school districts, libraries, and related agencies in thirty-eight counties. The purpose of the OSC is to obtain prices for quality merchandise and services commonly used by the participants. The governing board of the OSC consists of one representative from each participant. All participants must pay all fees, charges, or other assessments as established by the OSC.

NOTE 16 - INSURANCE POOLS

A. The Ohio School Boards Association Workers' Compensation Group Rating Plan

The School District participates in a group rating plan for worker's compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP) was established through the Ohio School Boards Association (OSBA) as an insurance purchasing pool.

The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect, and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves a coordinator of the GRP. Each year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 16 - INSURANCE POOLS - (Continued)

B. Ohio School Plan

The School District participates in the Ohio School Plan (the “Plan”), an insurance purchasing pool established under Section 2744.081 of the Ohio Revised Code. The Plan is an unincorporated nonprofit association of its members which enables the participants to provide for a formalized joint insurance purchasing program for maintaining adequate insurance protection and provides risk management programs and other administrative services. The Plan’s business and affairs are conducted by a fifteen member board consisting of superintendents, treasurers, the president of Harcum-Schuett Insurance Agency, Inc., and a member of Hylant Group, Inc. Hylant Group, Inc. is the Plan’s administrator and is responsible for processing claims. Harcum-Schuett Insurance Agency serves as the sales and marketing representative which establishes agreements between the Plan and its members. Financial information can be obtained from Harcum-Schuett Insurance Agency, 246 East Sycamore Street, Columbus, Ohio 43206.

NOTE 17 - TAX ABATEMENTS

The City of Bucyrus has entered into property tax abatement agreements with property owners that are within the taxing districts of the School District. These agreements include Enterprise Zone Agreements (“EZAs”), the Ohio Community Reinvestment Area (“CRA”) program, and Community Urban Redevelopment Corporations (“CURC”) established under Ohio Revised Code 1728. These programs are direct incentive property tax exemption programs benefiting property owners who renovate or construct new buildings. Under these programs, the other governments designated areas to encourage revitalization of the existing structures and promote the development of new structures.

For the School District, the City of Bucyrus has entered into agreements through these abatement programs that have caused a reduction to the School District’s property tax revenues. During fiscal year 2025, the School District’s property tax revenues were reduced as follows:

Government Entering Into Agreement	Tax Abatement Program			School District Forgone Tax Revenue
	CRA	EZAs	CURC	
City of Bucyrus	\$ 4,468	\$ -	\$ -	\$ 4,468

NOTE 18 - CONTINGENCIES

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2025.

B. Litigation

The School District is currently involved in litigation; however, the outcome of this litigation is uncertain. The School District does not anticipate that this litigation will have a material financial impact on the School District and losses could potentially be paid through the School District’s liability insurance.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 19 - OTHER COMMITMENTS

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the School District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	<u>\$ 50,629</u>
Total	<u><u>\$ 50,629</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - over (under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues and other financing sources	\$ 16,141,122	\$ 16,141,122	\$ 16,780,567	\$ 639,445
Budgetary expenditures and other financing uses	<u>19,107,386</u>	<u>19,355,170</u>	<u>23,450,419</u>	<u>4,095,249</u>
Net change in fund balance	(2,966,264)	(3,214,048)	(6,669,852)	(3,455,804)
Budgetary fund balance at beginning of year	13,651,762	13,651,762	13,651,762	-
Prior year encumbrances appropriated	<u>226,260</u>	<u>226,260</u>	<u>226,260</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 10,911,758</u></u>	<u><u>\$ 10,663,974</u></u>	<u><u>\$ 7,208,170</u></u>	<u><u>\$ (3,455,804)</u></u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BUCRYUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
SCHOOL DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

Fiscal Year (1)	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.06272840%	\$ 3,208,930	\$ 2,582,850	124.24%	78.52%
2024	0.06519770%	3,602,506	2,671,636	134.84%	76.06%
2023	0.06781090%	3,667,741	2,582,700	142.01%	75.82%
2022	0.06712140%	2,476,585	2,250,286	110.06%	82.86%
2021	0.06229960%	4,120,627	2,297,193	179.38%	68.55%
2020	0.06557040%	3,923,192	2,307,933	169.99%	70.85%
2019	0.06920190%	3,963,321	2,230,496	177.69%	71.36%
2018	0.06527510%	3,900,043	2,170,650	179.67%	69.50%
2017	0.06674380%	4,885,030	2,068,814	236.13%	62.98%
2016	0.06672950%	3,807,650	2,008,847	189.54%	69.16%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 391,552	\$ (391,552)	\$ -	\$ 2,796,800	14.00%
2024	361,599	(361,599)	-	2,582,850	14.00%
2023	374,029	(374,029)	-	2,671,636	14.00%
2022	361,578	(361,578)	-	2,582,700	14.00%
2021	315,040	(315,040)	-	2,250,286	14.00%
2020	321,607	(321,607)	-	2,297,193	14.00%
2019	311,571	(311,571)	-	2,307,933	13.50%
2018	301,117	(301,117)	-	2,230,496	13.50%
2017	303,891	(303,891)	-	2,170,650	14.00%
2016	289,634	(289,634)	-	2,068,814	14.00%

(1) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BUCRYUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND
SCHOOL DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

Fiscal Year (1)	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.05291479%	\$ 10,181,661	\$ 7,772,714	130.99%	82.55%
2024	0.05107108%	10,998,126	6,821,743	161.22%	80.02%
2023	0.05202651%	11,565,558	6,835,207	169.21%	78.88%
2022	0.05043575%	6,448,664	6,292,814	102.48%	87.78%
2021	0.05238311%	12,674,849	6,489,700	195.31%	75.48%
2020	0.05597250%	12,377,982	6,556,979	188.78%	77.40%
2019	0.05651906%	12,427,272	6,615,529	187.85%	77.31%
2018	0.05623790%	13,359,434	6,024,329	221.76%	75.30%
2017	0.05764843%	19,296,667	6,237,971	309.34%	66.80%
2016	0.06149551%	16,995,560	6,429,671	264.33%	72.10%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 983,329	\$ (983,329)	\$ -	\$ 7,023,779	14.00%
2024	1,088,180	(1,088,180)	-	7,772,714	14.00%
2023	955,044	(955,044)	-	6,821,743	14.00%
2022	956,929	(956,929)	-	6,835,207	14.00%
2021	880,994	(880,994)	-	6,292,814	14.00%
2020	908,558	(908,558)	-	6,489,700	14.00%
2019	917,977	(917,977)	-	6,556,979	14.00%
2018	926,174	(926,174)	-	6,615,529	14.00%
2017	843,406	(843,406)	-	6,024,329	14.00%
2016	873,316	(873,316)	-	6,237,971	14.00%

(1) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BUCRYUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY AND
SCHOOL DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST NINE AND TEN FISCAL YEARS

Fiscal Year (1) (2)	School District's Proportion of the Net OPEB Liability	School District's Proportionate Share of the Net OPEB Liability	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	0.06335900%	\$ 645,309	\$ 2,582,850	24.98%	44.50%
2024	0.06675760%	1,099,795	2,671,636	41.17%	30.02%
2023	0.06906100%	969,624	2,582,700	37.54%	30.34%
2022	0.06866390%	1,299,521	2,250,286	57.75%	24.08%
2021	0.06431280%	1,397,728	2,297,193	60.85%	18.17%
2020	0.06680020%	1,679,885	2,307,933	72.79%	15.57%
2019	0.06956150%	1,929,824	2,230,496	86.52%	13.57%
2018	0.06623650%	1,777,615	2,170,650	81.89%	12.46%
2017	0.06753695%	1,925,053	2,068,814	93.05%	11.49%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 43,625	\$ (43,625)	\$ -	\$ 2,796,800	1.56%
2024	42,320	(42,320)	-	2,582,850	1.64%
2023	47,015	(47,015)	-	2,671,636	1.76%
2022	43,688	(43,688)	-	2,582,700	1.69%
2021	41,585	(41,585)	-	2,250,286	1.85%
2020	39,730	(39,730)	-	2,297,193	1.73%
2019	50,454	(50,454)	-	2,307,933	2.19%
2018	45,873	(45,873)	-	2,230,496	2.06%
2017	36,088	(36,088)	-	2,170,650	1.66%
2016	33,743	(33,743)	-	2,068,814	1.63%

(1) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BUCRYUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/(ASSET) AND
SCHOOL DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST NINE AND TEN FISCAL YEARS

Fiscal Year (1) (2)	School District's Proportion of the Net OPEB Liability/(Asset)	School District's Proportionate Share of the Net OPEB Liability/(Asset)	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2025	0.05291479%	\$ (1,003,692)	\$ 7,772,714	12.91%	158.01%
2024	0.05107108%	(993,262)	6,821,743	14.56%	168.52%
2023	0.05202651%	(1,347,139)	6,835,207	19.71%	230.73%
2022	0.05043575%	(1,063,397)	6,292,814	16.90%	174.73%
2021	0.05238110%	(920,597)	6,489,700	14.19%	182.10%
2020	0.05597250%	(927,039)	6,556,979	14.14%	174.74%
2019	0.05651906%	(908,204)	6,615,529	13.73%	176.00%
2018	0.05623790%	2,194,195	6,024,329	36.42%	47.10%
2017	0.05764843%	3,083,053	6,237,971	49.42%	37.30%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ -	\$ -	\$ -	\$ 7,023,779	0.00%
2024	-	-	-	7,772,714	0.00%
2023	-	-	-	6,821,743	0.00%
2022	-	-	-	6,835,207	0.00%
2021	-	-	-	6,292,814	0.00%
2020	-	-	-	6,489,700	0.00%
2019	-	-	-	6,556,979	0.00%
2018	-	-	-	6,615,529	0.00%
2017	-	-	-	6,024,329	0.00%
2016	-	-	-	6,237,971	0.00%

(1) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 - BUDGETARY PROCESS

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and
- (d) Some funds are included in the general fund (GAAP basis) but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (6,669,852)
Net adjustment for revenue accruals	1,074,887
Net adjustment for expenditure accruals	108,666
Funds budgeted elsewhere	11,373
Adjustments for encumbrances	<u>62,689</u>
GAAP Basis	<u>\$ (5,412,237)</u>

As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund. This includes the class play fund, the underground storage tank fund, and the public school support fund.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- For fiscal year 2023, SERS changed from a Cost of Living Adjustment (COLA) of 2.0% to 2.5%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts reported for fiscal year 2025.

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50% - 18.20% to 3.25% - 13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2025.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2023.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2024.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2025.

Changes in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For fiscal year 2023, the following changes of assumption affected the total pension liability since the prior measurement date: the projected salary increases went from 12.50% at age 20 to 2.50% at age 65 to varies by service from 2.50% to 8.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2025.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- There were no changes in benefit terms from the amounts reported for fiscal year 2018.
- There were no changes in benefit terms from the amounts reported for fiscal year 2019.
- There were no changes in benefit terms from the amounts reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts reported for fiscal year 2021.
- There were no changes in benefit terms from the amounts reported for fiscal year 2022.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts reported for fiscal year 2025.

Change in assumptions:

- For fiscal year 2017, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50% - 5.00% to a range of 5.375% - 4.75% and Pre-Medicare were changed from a range of 7.50% - 5.00% to a range of 7.25% - 4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375% - 4.75% to a range of 5.25% - 4.75% and Pre-Medicare were changed from a range of 7.25% - 4.75% to a range of 7.00% - 4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%, and (c) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22% to 2.63%.
- For fiscal year 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50% - 18.20% to 3.25% - 13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.
- For fiscal year 2024, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.69% to 3.86%, (b) single equivalent interest rate when from 4.08% to 4.27% and (c) medical trend assumptions went from 7.00% to 4.40% to 6.75% to 4.40%.
- For fiscal year 2025, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.86% to 3.93%, (b) single equivalent interest rate when from 4.27% to 4.88% and (c) medical trend assumptions went from 6.75% to 4.40% to 7.00% to 4.40%.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Change in benefit terms:

- There were no changes in benefit terms from the amounts previously reported for fiscal year 2017.
- For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For fiscal year 2020, STRS increased the non-Medicare subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.
- For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2025.

Change in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)," (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)" and (b) decrease in health care cost trend rates from 6.00% - 11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate; and prescription drug Medicare from (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.
- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to - 6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from - 6.69% initial - 4.00% ultimate down to - 16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.
- For fiscal year 2023, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) projected salary increase went from 12.50% at age 20 to 2.50% at age 65 to varies by services from 2.50% to 8.50% and (b) health care cost trend rates were changed to the following: Pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from - 16.18% initial - 4.00% ultimate to - 68.78% initial - 3.94% ultimate; prescription drug Pre-Medicare from 6.50% initial - 4.00% ultimate to 9.00% initial - 3.94% ultimate; Medicare from 29.98% initial - 4.00% ultimate to - 5.47% initial - 3.94% ultimate.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- For fiscal year 2024, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical Pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate; medical Medicare from - 68.78% initial - 3.94% ultimate to - 10.94% initial - 4.14% ultimate; prescription drug Pre-Medicare from 9.00% initial - 3.94% ultimate to - 11.95% initial - 4.14% ultimate; and prescription drug Medicare from - 5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.
- For fiscal year 2025, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical Pre-Medicare from 7.50% initial - 4.14% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from - 10.94% initial - 4.14% ultimate to - 112.22% initial - 3.94% ultimate; prescription drug Pre-Medicare from - 11.95% initial - 4.14% ultimate to 8.00% initial - 3.94% ultimate; and prescription drug Medicare from 1.33% initial - 4.14% ultimate to - 15.14% initial - 3.94% ultimate.

SUPPLEMENTARY INFORMATION

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER/ ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through the Ohio Department of Education and Workforce</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	2025	\$ 183,785
National School Lunch Program	10.555	2025	452,293
National School Lunch Program - Food Donation	10.555	2025	68,967
Total National School Lunch Program			521,260
Summer Food Service Program for Children	10.559	2025	32,369
Total U.S. Department of Agriculture and Child Nutrition Cluster			737,414
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through the Ohio Department of Education and Workforce</i>			
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2024	56,661
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2025	517,828
Total Title I Grants to Local Educational Agencies			574,489
Special Education Cluster (IDEA):			
Special Education-Grants to States (IDEA, Part B)	84.027A	84.027A, 2024	62,311
Special Education-Grants to States (IDEA, Part B)	84.027A	84.027A, 2025	393,087
Total Special Education Grants to States (IDEA, Part B)			455,398
Special Education-Preschool Grants (IDEA, Preschool)	84.173A	84.173A, 2025	14,504
Total Special Education Cluster (IDEA)			469,902
Twenty-First Century Community Learning Centers	84.287A	84.287A, 2024	27,629
Twenty-First Century Community Learning Centers	84.287A	84.287A, 2025	270,363
Total Twenty-First Century Community Learning Centers			297,992
Rural Education	84.358B	84.358B, 2025	45,400
<i>Consortium Amount Passed/Transferred to the Tri-County Educational Service Center</i>			
English Language Acquisition State Grants - Title III - Language Instruction for English Learners	84.365A	84.364A, 2025	471
Supporting Effective Instruction State Grants	84.367A	84.367A, 2025	33,311
Student Support and Academic Enrichment Program	84.424A	84.424A, 2025	131,393
Total U.S. Department of Education			1,552,958
Total Expenditures of Federal Awards			\$ 2,290,372

The accompanying notes are an integral part of this schedule.

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Bucyrus City School District under programs of the federal government for the fiscal year ended June 30, 2025 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Bucyrus City School District, it is not intended to and does not present the financial position, or changes in net position or cash flows of Bucyrus City School District. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. Bucyrus City School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - CHILD NUTRITION CLUSTER

Bucyrus City School District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, Bucyrus City School District assumes it expends federal monies first.

NOTE 4 – FOOD DONATION PROGRAM

Bucyrus City School District reports commodities consumed on the Schedule at the entitlement value. Bucyrus City School District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

NOTE 5 – PASS THROUGH FUNDS

Bucyrus City School District was awarded federal program allocations to be administered on their behalf by the Tri-County Educational Service Center (ESC). For fiscal year 2025, Bucyrus City School District's allocations are as follows:

Grant/Program Name	ALN	Reallocated to	Award Amount
English Language Acquisitions State Grants - Title III	84.365A	Tri-County ESC	\$471

**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***

Bucyrus City School District
Crawford County
170 Plymouth Street
Bucyrus, Ohio 44820

To the Members of the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bucyrus City School District, Crawford County, Ohio, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Bucyrus City School District's basic financial statements, and have issued our report thereon dated December 18, 2025, wherein we noted as described in Note 3 to the financial statements, Bucyrus City School District restated beginning net position as a result of a change in accounting principle by implementing GASB Statement No. 101, "Compensated Absences".

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bucyrus City 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 Bucyrus City School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Bucyrus City 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 Bucyrus City School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Bucyrus City School District

Crawford County

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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bucyrus City School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2025-001.

Bucyrus City School District's Response to Finding

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

Purpose of this Report

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



Julian & Grube, Inc.

December 18, 2025

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

Bucyrus City School District
Crawford County
170 Plymouth Street
Bucyrus, Ohio 44820

To the Members of the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bucyrus City School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Bucyrus City School District's major federal programs for the fiscal year ended June 30, 2025. Bucyrus City School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

In our opinion, Bucyrus City School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

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 Bucyrus City 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 Bucyrus City School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Bucyrus City School District
Crawford County
Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance

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 Bucyrus City 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 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 Bucyrus City 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Bucyrus City 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 Bucyrus City 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 Bucyrus City School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "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.

Bucyrus City School District
Crawford County
Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance

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

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
December 18, 2025

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2025**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material weaknesses in internal control reporting at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	None reported
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(iv)</i>	<i>Were there any material weaknesses in internal control reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	None reported
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Child Nutrition Cluster
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

**BUCYRUS CITY SCHOOL DISTRICT
CRAWFORD COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2025**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2025-001

Noncompliance – Amending Appropriations

Ohio Revised Code Section 5705.41(B) requires that no subdivision is to expend money unless it has been appropriated. In addition, Ohio Revised Code Section 5705.40 outlines the requirements for amending and supplementing appropriations. This section states that any amendments to an appropriation measure be made by Board resolution and comply with the same provisions of the law as used in making the original appropriations.

The School District did not properly modify its appropriations at year-end. Due to not properly modifying appropriations, disbursements exceeded appropriations for the General Fund.

By not timely and properly modifying the School District's appropriations, the School District may not adequately monitor appropriations versus disbursements. With disbursements exceeding appropriations, overspending may occur which may result in a negative fund balance.

We recommend the School District comply with the Ohio Revised Code by monitoring disbursements, so they do not exceed lawful appropriations. This may be achieved by monitoring the budget more closely on a continual basis and making appropriation amendments as necessary throughout the fiscal year and at fiscal year end.

Client Response: See Corrective Action Plan.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None



CORRECTIVE ACTION PLAN
2 CFR 200.511(c)
JUNE 30, 2025

<u>Finding Number</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>	<u>Responsible Contact Person</u>
2025-001	A transfer of \$5,500,000 was made at fiscal year-end but was not included in the final appropriations, which resulted in expenditures exceeding appropriations. Going forward, transfers will be reviewed and included as part of the monthly appropriation review and the year-end appropriation amendments. Supporting documentation for both the monthly review and year-end close will include all transfers.	12/19/25	Lisa Thoman-Cha, Treasurer

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OHIO AUDITOR OF STATE KEITH FABER



BUCYRUS CITY SCHOOL DISTRICT

CRAWFORD COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 4/21/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov