



OHIO AUDITOR OF STATE
KEITH FABER



**ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT
BELMONT COUNTY
JUNE 30, 2025**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Prepared by Management:	
Management's Discussion and Analysis	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities.....	16
Fund Financial Statements:	
Balance Sheet	
Governmental Funds	17
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds.....	19
Reconciliation of the Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures and Changes In Fund Balance - Budget (Non-GAAP Basis) and Actual	
General Fund.....	21
Schoolwide Pool Fund.....	22
Statement of Net Position	
Fiduciary Funds	23
Statement of Changes in Net Position	
Fiduciary Funds	24
Notes to the Basic Financial Statements	25

**ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT
BELMONT COUNTY
JUNE 30, 2025**

**TABLE OF CONTENTS
(Continued)**

TITLE	PAGE
Required Supplementary Information:	
Schedule of the School District's Proportionate Share of the Net Pension Liability - School Employees Retirement System of Ohio	66
State Teacher Retirement System of Ohio	68
Schedule of the School District's Proportionate Share of the Net OPEB (Asset) Liability - School Employees Retirement System of Ohio	70
State Teacher Retirement System of Ohio	72
Schedule of the School District's Contributions School Employees Retirement System of Ohio	74
State Teacher Retirement System of Ohio	76
Notes to Required Supplementary Information	78
Schedule of Expenditures of Federal Awards	83
Notes to the Schedule of Expenditures of Federal Awards	84
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	87
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	89
Schedule of Findings	93

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

St. Clairsville-Richland City School District
Belmont County
108 Woodrow Avenue
St. Clairsville, Ohio 43950

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Clairsville-Richland City School District, Belmont County, Ohio (the School District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Clairsville-Richland City School District, Belmont County, Ohio as of June 30, 2025, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Schoolwide Pool Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the 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, during 2025, the School District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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

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

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The Schedule of Expenditures of Federal Awards (the Schedule) as required by Title 2 U.S. Code of Federal Regulations (CFR) 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 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 March 26, 2026, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



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

March 26, 2026

This page intentionally left blank.

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

The Management's Discussion and Analysis of St. Clairsville-Richland 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 the notes to the financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2025 are as follows:

- Net position increased \$749,938.
- Capital asset additions totaled more than \$1.5 million. Current year capital asset additions include lease assets for the copier equipment and building space at the ECO Center, completion of the football field turf replacement project, and other improvements. Additions also include the initial work on the High School Science Lab Project, using the proceeds of a \$1.2 million financed purchase agreement.
- Increased property tax revenue was able to offset decreased federal funding, as Covid-era stimulus grants such as the Elementary and Secondary School Emergency Relief (ESSER) concluded.
- The implementation of GASB 101, *Compensated Absences*, resulted in a long-term liability of \$4.7 million at fiscal year-end, following a restatement to beginning net position of more than (\$3.2 million).

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand St. Clairsville-Richland City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and concerns.

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. In the case of St. Clairsville-Richland City School District, the General Fund and the Schoolwide Pool Special Revenue Fund are the only major or significant funds.

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 and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader whether, 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 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's activities are all considered to be Governmental Activities including instruction, support services, operation and maintenance of plant, pupil transportation, food service, debt service and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 12. 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 governmental funds are the General Fund and the Schoolwide Pool Special Revenue 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.

Reporting the School District's Fiduciary Responsibilities

The School District is the trustee, or fiduciary, for a scholarship program. This activity is presented as a private purpose trust fund. The School District also acts in a trustee capacity as an agent for individuals, private organizations, and other government units. These activities are reported as custodial funds. The School District's fiduciary activities are reported in a separate Statement of Net Position and Statement of Changes in Net Position. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2025 and 2024.

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Table 1
Net Position

	2025	2024	Change
Assets			
Current and Other Assets	\$26,438,040	\$24,251,277	\$2,186,763
Net OPEB Asset	1,234,610	1,258,162	(23,552)
Capital Assets	10,096,022	9,167,588	928,434
Total Assets	<u>37,768,672</u>	<u>34,677,027</u>	<u>3,091,645</u>
Deferred Outflows of Resources			
Pension	3,209,206	3,466,414	(257,208)
OPEB	501,263	584,721	(83,458)
Total Deferred Outflows of Resources	<u>3,710,469</u>	<u>4,051,135</u>	<u>(340,666)</u>
Liabilities			
Current and Other Liabilities	3,254,021	2,792,917	461,104
Long-Term Liabilities:			
Due Within One Year	828,596	41,174	787,422
Due in More than One Year:			
Net Pension Liability	15,183,310	16,954,257	(1,770,947)
Net OPEB Liability	536,691	920,834	(384,143)
Other Amounts	5,570,159	1,325,378	4,244,781
Total Liabilities	<u>25,372,777</u>	<u>22,034,560</u>	<u>3,338,217</u>
Deferred Inflows of Resources			
Property Taxes	14,989,600	13,753,190	1,236,410
Payment in Lieu of Taxes	192,183	89,542	102,641
Pension	1,973,131	1,259,511	713,620
OPEB	1,738,798	1,867,653	(128,855)
Total Deferred Inflows of Resources	<u>18,893,712</u>	<u>16,969,896</u>	<u>1,923,816</u>
Net Position (Deficit)			
Net Investment in Capital Assets	9,311,962	9,087,042	224,920
Restricted	1,785,730	2,152,468	(366,738)
Unrestricted	(13,885,040)	(11,515,804)	(2,369,236)
Total Net Position (Deficit)	<u>(\$2,787,348)</u>	<u>(\$276,294)</u>	<u>(\$2,511,054)</u>

New Accounting Pronouncement/Restatements

Table 1 provides a summary of the School District's net position for fiscal year 2025 compared to 2024. For 2025, the School District implemented GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 100, *Accounting Changes and Error Corrections*, does not require Management Discussion and Analysis information for years prior to periods presented in the basic financial statements to be restated for changes in accounting principles.

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

The implementation of GASB 101 resulted in recognizing an additional compensated absences liabilities of \$3,260,992 in governmental activities at July 1, 2024. These amounts also impacted beginning net position for the cumulative effect of additional compensated absences expense. (See Note 3).

The net pension liability is the largest single liability reported by the School District at June 30, 2025. 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.

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 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 liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Each year, the above referenced changes impact the balance of the net pension/OPEB asset/liability and the related deferred inflows and outflows. During fiscal year 2025, the net pension liability and the net OPEB asset/liability decreased for both STRS and SERS. These changes primarily resulted from increased investment earnings. The decrease in deferred outflows for pension primarily results from the difference between changes of assumptions amounts recognized in 2025 for STRS, offset by the amortization recognized in the current year for both STRS and SERS. The increase in deferred inflows for pension resulted from the difference between projected and actual earning on investments recognized in the current year offset by the amortization recognized in the current year. For STRS, the net difference between projected and actual earnings on investments for OPEB changed from a net deferred outflow to a net deferred inflow as a result of prior year amortization offset by the deferred inflow amount recognized in 2025. The decrease in the remaining deferred outflows for OPEB resulted primarily from the amortization of prior year SERS amounts. The decrease in deferred inflows for OPEB resulted from the amortization recognized in the current year exceeding the difference between expected and actual experience amounts, change of assumptions amounts, and the difference between projected and actual earnings on investments amounts, recognized in fiscal year 2025.

The increase in current and other assets is due primarily to property taxes receivable, and cash and cash equivalents. Property taxes receivable is impacted by the recently completed reappraisal of property values by Belmont County, as well as the School District's allocation of inside millage to a permanent improvement levy. Unspent cash proceeds from the financed purchase agreement for the High School Science Lab Project of more than \$1.2 million contributed to the increase in cash and cash equivalents. Capital asset additions including construction in progress for the High School Science Lab; lease assets for copier equipment and building space at the ECO Center; completion of the football field turf replacement project; and other improvements totaled more than \$1.5 million. These additions were sufficient to offset the annual depreciation/amortization of existing capital assets.

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

The overwhelming majority of School District liabilities are long-term obligations. Despite their decreases, the net pension/OPEB liabilities still total more than \$15.7 million. The reasons for the changes in the net pension/OPEB liabilities were discussed earlier in this Discussion and Analysis. As previously addressed, the School District implemented GASB 101, *Compensated Absences*. At June 30, 2025, the long-term liability for compensated absences is approximately \$4.7 million, a slight increase from the restated amount of approximately \$4.6 million. Long-term liabilities also increased because of the financed purchase agreement for the High School Science Lab, and the leases for copiers, and building space at the ECO Center. The most notable increases in current and other liabilities included accounts payable, and contracts payable for various projects. Accounts payable include the School District's share of improvements to the baseball field at the Memorial Park District, and contracts payable include amounts for the High School Lab Project.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2025 and 2024.

Table 2
Changes in Net Position

	2025	2024	Change
Revenues			
<i>Program Revenue</i>			
Charges for Services	\$3,005,326	\$2,768,051	\$237,275
Operating Grants and Contributions	1,890,658	2,358,607	(467,949)
Capital Grants and Contributions	0	461,218	(461,218)
Total Program Revenue	4,895,984	5,587,876	(691,892)
<i>General Revenue</i>			
Property Taxes	14,042,199	12,796,408	1,245,791
Payments in Lieu of Taxes	190,465	699,569	(509,104)
Grants and Entitlements	5,188,015	4,958,538	229,477
Unrestricted Contributions	56,037	101,108	(45,071)
Investment Earnings	288,024	335,117	(47,093)
Miscellaneous	78,991	71,179	7,812
Total General Revenue	19,843,731	18,961,919	881,812
Total Revenues	\$24,739,715	\$24,549,795	\$189,920

(Continued)

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Table 2
Changes in Net Position (Continued)

	2025	2024	Change
Program Expenses			
Instruction:			
Regular	\$10,675,716	\$10,911,752	(\$236,036)
Special	2,980,453	3,179,690	(199,237)
Vocational	13,537	29,089	(15,552)
Support Services:			
Pupil	1,422,143	1,282,377	139,766
Instructional Staff	303,090	306,338	(3,248)
Board of Education	60,847	54,179	6,668
Administration	1,748,305	1,653,439	94,866
Fiscal	747,152	785,545	(38,393)
Business	2,500	2,500	0
Operation and Maintenance of Plant	2,057,205	1,936,398	120,807
Pupil Transportation	658,578	694,044	(35,466)
Central	691,185	439,334	251,851
Operation of Non-Instructional Services	297,379	252,892	44,487
Food Service Operations	807,895	720,009	87,886
Extracurricular Activities	1,486,483	1,177,933	308,550
Interest	37,309	2,014	35,295
Total Expenses	<u>23,989,777</u>	<u>23,427,533</u>	<u>562,244</u>
Change in Net Position	<u>749,938</u>	<u>1,122,262</u>	<u>(372,324)</u>
Net Position Beginning of Year - as Previously Reported	(276,294)	(1,398,556)	1,122,262
Restatement - See Note 3	<u>(3,260,992)</u>	<u>0</u>	<u>(3,260,992)</u>
Restated Net Position Beginning of Year	<u>(3,537,286)</u>	<u>(1,398,556)</u>	<u>(2,138,730)</u>
Net Position End of Year	<u><u>(\$2,787,348)</u></u>	<u><u>(\$276,294)</u></u>	<u><u>(\$2,511,054)</u></u>

New Accounting Pronouncement/Restatements

Table 2 provides a summary of the School District's change in net position for fiscal year 2025 compared to 2024. The above table also separately reflects the restatement for changes in accounting principles related to the implementation of GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 100, *Accounting Changes and Error Corrections* does not require Management Discussion and Analysis information for years prior to periods presented in the basic financial statements to be restated for changes in accounting principles. The 2024 information does not reflect activity related to the additional compensated absences expenses required under GASB 101, *Compensated Absences*. (See also explanation of new accounting pronouncements provided related to Net Position - Table 1 and explanation provided in Note 3.)

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Program revenues decreased in large part to the conclusion of ESSER funding, which had been used for both operating and capital program expenses. Capital contributions in the prior year also reflected amounts received for the football stadium field turf project, which was completed during the current fiscal year. Tuition and fees revenue, as well as extracurricular revenue were able provide for the increase in customer sales and services.

Property taxes and unrestricted grants and entitlements make up nearly all of the School District's general revenues. The increase in property taxes is primarily due to reallocation of inside millage to a permanent improvement levy, as well as increases in assessed valuation. Unrestricted grants and entitlements represent the amount of State Foundation Funding received, which increased from the prior fiscal year. Payments in lieu of taxes decreased from the prior fiscal year, as a catch-up payment was made in fiscal year 2024 to address a shortfall in compensation owed to the School District based on the terms of a tax increment financing agreement.

The primary component of program expenses is instructional, mostly related to wages and benefits of certificated staff, both of which increased in fiscal year 2025. Program expenses for fiscal year 2025 were also impacted by additional compensated absences expense following the implementation of GASB 101 and decreases in pension and OPEB expenses.

The Statement of Activities shows the cost of program services and the charges for services, grants, contributions, and interest earnings offsetting those services. Table 3 shows the total cost of services and the net cost of services for fiscal year 2025 compared to fiscal year 2024.

Table 3
Total and Net Cost of Program Services

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
Instruction:				
Regular	\$10,675,716	\$10,911,752	\$8,330,941	\$8,777,959
Special	2,980,453	3,179,690	2,283,130	2,222,110
Vocational	13,537	29,089	13,537	29,089
Support Services				
Pupil	1,422,143	1,282,377	1,400,714	1,224,471
Instructional Staff	303,090	306,338	296,930	289,055
Board of Education	60,847	54,179	60,847	54,179
Administration	1,748,305	1,653,439	1,741,907	1,645,588
Fiscal	747,152	785,545	745,552	783,945
Business	2,500	2,500	2,500	(17,275)
Operation and Maintenance of Plant	2,057,205	1,936,398	2,029,816	1,572,502
Pupil Transportation	658,578	694,044	643,711	675,135
Central	691,185	439,334	539,530	299,615
Operation of Non-Instructional Services	297,379	252,892	(19,281)	1,433
Food Service Operations	807,895	720,009	166,268	27,782
Extracurricular Activities	1,486,483	1,177,933	820,382	252,055
Interest	37,309	2,014	37,309	2,014
Total Expenses	<u>\$23,989,777</u>	<u>\$23,427,533</u>	<u>\$19,093,793</u>	<u>\$17,839,657</u>

The dependence upon tax revenues and state subsidies for governmental activities is apparent. Approximately 80 percent of program expenses are supported through taxes and other general revenues.

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

The School District's Funds

Information about the School District's major funds starts on page 17. These funds are accounted for using the modified accrual basis of accounting. The School District has two major funds, the General Fund and the Schoolwide Pool Special Revenue Fund.

For the General Fund total revenues increased from the prior year due to mostly due to increases in property taxes, which was partially offset by a decrease in payment in lieu of taxes revenue. Increases in staff wages and benefits, for both certified and classified personnel, contributed to the increase in expenditures. For fiscal year 2025, the costs of operating the schoolwide pool required more General Fund support, as indicated by the increased transfers out. Including the inception of lease amount, the balance of the General Fund decreased by \$184,206.

For the Schoolwide Pool Fund, increases expenditures related to costs associated with the program are offset by increases in the amounts of federal funding and General Fund transfers received. The Schoolwide Pool Fund had no change in fund balance.

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.

For fiscal year 2025, the School District made no changes to its General Fund budget, either for estimated resources or for appropriations. In total, actual revenues were not significantly different than total estimates. For expenditures, actual results of operation differed from the final budget, as actual expenditures were significantly less than budgeted, in total.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2025, the School District had \$10,096,022 invested in land, construction in progress, land improvements, buildings and improvements, furniture, fixtures, and equipment, vehicles, and intangible right to use lease assets, net of depreciation. Table 4 shows fiscal 2025 balances compared to 2024:

Table 4 - Capital Assets Net of Depreciation

	2025	2024
Land	\$1,330,849	\$1,330,849
Construction in Progress	281,972	75,935
Land Improvements	1,399,203	955,367
Buildings and Improvements	5,679,318	5,708,403
Furniture, Fixtures, and Equipment	572,645	620,876
Vehicles	395,810	476,158
Intangible Right to Use Lease Assets	436,225	0
Totals	<u>\$10,096,022</u>	<u>\$9,167,588</u>

For more information on capital assets see Note 10 to the basic financial statements.

St. Clairsville-Richland City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Debt

The School District made substantial increases to its long-term debt obligations during the fiscal year, with a \$1,230,000 financed purchase and \$497,887 of leases payable. At June 30, 2025, the School District had \$1,680,538 outstanding related to its financed purchases and leases payable with \$138,451 due within one year. See Note 15 for more information on the long-term obligations of the School District, including compensated absences, and net pension and net OPEB liabilities.

Economic Factors

The St. Clairsville-Richland City School District is located in Belmont County close to the eastern border of Ohio and encompasses 78 square miles which includes the county seat, a mall and a shopping plaza.

The School District has had a positive carryover balance in the last few years due to COVID relief funds and activity in the County related to oil and gas production and pipelines. COVID relief will end at the end of fiscal year 2025. Oil and gas production continues to be monitored annually because their assessed valuation has many variables and, therefore, is highly volatile. The School District's revenue from public utility pipelines is currently less than assessed due to a complaint filed by Rover Pipeline. The complaint was filed in 2019 and has not been resolved.

The State of Ohio has funded school districts through various funding formulas. However, St. Clairsville-Richland City School District continues to be funded through a guarantee which provides the same amount of funding as the previous year. There are a few categorical funds that have been added or have increased over the years, but these funds usually are accompanied by spending requirements.

The School District is involved in two tax increment financing (TIF) projects. The first was with Belmont County to construct an overpass over Interstate 70, approved on December 31, 2015. The second was with the City of St. Clairsville for infrastructure in the new St. Clair Commons development approved on June 20, 2016. For additional information regarding the TIF projects and their related financial effects, see Note 8.

Overall, the School District seeks to provide educational opportunities and services that our community values.

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and 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 any questions about this report or need additional financial information, contact Eric Meininger, Treasurer/CFO at St. Clairsville-Richland City School District, 108 Woodrow Avenue, St. Clairsville, Ohio 43950.

This page intentionally left blank.

St. Clairsville-Richland City School District
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$8,556,027
Intergovernmental Receivable	1,132,587
Prepaid Items	6,663
Property Taxes Receivable	16,078,392
Revenue in Lieu of Taxes Receivable	489,809
Cash and Cash Equivalents with Fiscal Agents	174,562
Net OPEB Asset	1,234,610
Non-Depreciable Capital Assets	1,612,821
Depreciable Capital Assets, Net	8,483,201
Total Assets	37,768,672
Deferred Outflows of Resources	
Pension	3,209,206
OPEB	501,263
Total Deferred Outflows of Resources	3,710,469
Liabilities	
Accounts Payable	318,186
Accrued Wages and Benefits Payable	1,993,329
Intergovernmental Payable	645,454
Contracts Payable	189,123
Matured Severance Payable	66,345
Accrued Interest Payable	10,035
Claims Payable	15,104
Retainage Payable	16,445
Long-Term Liabilities:	
Due Within One Year	828,596
Due In More Than One Year:	
Net Pension Liability	15,183,310
Net OPEB Liability	536,691
Other Amounts	5,570,159
Total Liabilities	25,372,777
Deferred Inflows of Resources	
Property Taxes	14,989,600
Payment in Lieu of Taxes	192,183
Pension	1,973,131
OPEB	1,738,798
Total Deferred Inflows of Resources	18,893,712
Net Position (Deficit)	
Net Investment in Capital Assets	9,311,962
Restricted for:	
State Programs	12,341
Food Service	169,631
Student Activities	44,376
Other Purposes	324,772
OPEB Plan	1,234,610
Unrestricted	(13,885,040)
Total Net Position (Deficit)	(\$2,787,348)

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2025

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$10,675,716	\$2,075,936	\$268,839	(\$8,330,941)
Special	2,980,453	0	697,323	(2,283,130)
Vocational	13,537	0	0	(13,537)
Support Services:				
Pupil	1,422,143	0	21,429	(1,400,714)
Instructional Staff	303,090	0	6,160	(296,930)
Board of Education	60,847	0	0	(60,847)
Administration	1,748,305	0	6,398	(1,741,907)
Fiscal	747,152	1,600	0	(745,552)
Business	2,500	0	0	(2,500)
Operation and Maintenance of Plant	2,057,205	0	27,389	(2,029,816)
Pupil Transportation	658,578	0	14,867	(643,711)
Central	691,185	151,655	0	(539,530)
Operation of Non-Instructional Services	297,379	0	316,660	19,281
Food Service Operations	807,895	286,091	355,536	(166,268)
Extracurricular Activities	1,486,483	490,044	176,057	(820,382)
Interest	37,309	0	0	(37,309)
Total Governmental Activities	\$23,989,777	\$3,005,326	\$1,890,658	(19,093,793)
General Revenues				
Property Taxes Levied for:				
General Purposes				13,732,144
Capital Projects				310,055
Payment in Lieu of Taxes for				
General Purposes				190,465
Grants and Entitlements not				
Restricted to Specific Programs				5,188,015
Unrestricted Contributions and Donations				56,037
Investment Earnings/Interest				288,024
Miscellaneous				78,991
Total General Revenues				19,843,731
Change in Net Position				749,938
Net Position (Deficit) Beginning of Year - as Previously Reported				(276,294)
Restatement—Implementation of GASB 101 (See Note 3)				(3,260,992)
Restated Net Position Beginning of Year				(3,537,286)
Net Position (Deficit) End of Year				(\$2,787,348)

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District
Balance Sheet
Governmental Funds
June 30, 2025

	General	Schoolwide Pool	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,263,744	\$0	\$2,281,283	\$8,545,027
Cash and Cash Equivalents with Fiscal Agents	174,562	0	0	174,562
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	11,000	0	0	11,000
Receivables:				
Property Taxes	15,676,743	0	401,649	16,078,392
Revenue in Lieu of Taxes	489,809	0	0	489,809
Intergovernmental	995,962	0	136,625	1,132,587
Interfund	44,854	582,430	0	627,284
Prepaid Items	6,663	0	0	6,663
Total Assets	<u>\$23,663,337</u>	<u>\$582,430</u>	<u>\$2,819,557</u>	<u>\$27,065,324</u>
Liabilities				
Accounts Payable	\$89,332	\$0	\$228,854	\$318,186
Accrued Wages and Benefits Payable	1,386,903	523,010	83,416	1,993,329
Intergovernmental Payable	571,774	59,420	14,260	645,454
Contracts Payable	0	0	189,123	189,123
Matured Severance Payable	66,345	0	0	66,345
Claims Payable	15,104	0	0	15,104
Retainage Payable	0	0	16,445	16,445
Interfund Payable	542,165	0	85,119	627,284
Total Liabilities	<u>2,671,623</u>	<u>582,430</u>	<u>617,217</u>	<u>3,871,270</u>
Deferred Inflows of Resources				
Property Taxes	14,618,750	0	370,850	14,989,600
Payment in Lieu of Taxes	192,183	0	0	192,183
Unavailable Revenue	1,621,755	0	37,945	1,659,700
Total Deferred Inflows of Resources	<u>16,432,688</u>	<u>0</u>	<u>408,795</u>	<u>16,841,483</u>
Fund Balances				
Nonspendable:				
Prepaid Items	6,663	0	0	6,663
Restricted for:				
Capital Projects	0	0	896,478	896,478
State Programs	0	0	12,341	12,341
Food Service Operations	0	0	199,274	199,274
Student Activities	0	0	44,376	44,376
Underground Storage Tank Premium	11,000	0	0	11,000
Other Purposes	0	0	313,772	313,772
Committed to:				
Capital Projects	0	0	338,860	338,860
Termination Benefits	355,105	0	0	355,105
Assigned to:				
Capital Projects	0	0	16,740	16,740
Future Appropriations	512,100	0	0	512,100
Purchases on Order	1,182,906	0	0	1,182,906
Unassigned (Deficit)	2,491,252	0	(28,296)	2,462,956
Total Fund Balances	<u>4,559,026</u>	<u>0</u>	<u>1,793,545</u>	<u>6,352,571</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$23,663,337</u>	<u>\$582,430</u>	<u>\$2,819,557</u>	<u>\$27,065,324</u>

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District
*Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
June 30, 2025*

Total Governmental Fund Balances	\$6,352,571
---	--------------------

***Amounts reported for governmental activities in the
Statement of Net Position are different because***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	10,096,022
---	------------

Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds:

Intergovernmental	28,296	
Delinquent Property Taxes	340,892	
Payment in Lieu of Taxes	297,626	
Tuition and Fees	992,886	
Total	1,659,700	1,659,700

Some long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Accrued Interest	(10,035)	
Lease Payable	(450,538)	
Financed Purchases	(1,230,000)	
Compensated Absences	(4,718,217)	
Total	(6,408,790)	(6,408,790)

The net pension liability and the net OPEB asset/liability are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:

Net OPEB Asset	1,234,610	
Deferred Outflows - Pension	3,209,206	
Deferred Outflows - OPEB	501,263	
Net Pension Liability	(15,183,310)	
Net OPEB Liability	(536,691)	
Deferred Inflows - Pension	(1,973,131)	
Deferred Inflows - OPEB	(1,738,798)	
Total	(14,486,851)	(14,486,851)

Net Position (Deficit) of Governmental Activities	<u><u>(\$2,787,348)</u></u>
---	------------------------------------

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

	General	Schoolwide Pool	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$13,680,186	\$0	\$304,568	\$13,984,754
Intergovernmental	5,454,614	315,236	1,173,197	6,943,047
Investment Earnings/Interest	273,448	0	14,576	288,024
Tuition and Fees	1,933,465	0	0	1,933,465
Extracurricular Activities	48,295	0	441,749	490,044
Rent	0	0	1,600	1,600
Gifts and Donations	55,367	0	151,963	207,330
Charges for Services	151,655	0	286,091	437,746
Payment in Lieu of Taxes	24,947	0	0	24,947
Miscellaneous	51,766	0	27,225	78,991
Total Revenues	21,673,743	315,236	2,400,969	24,389,948
Expenditures				
Current:				
Instruction:				
Regular	8,057,508	3,109,450	66,882	11,233,840
Special	1,973,788	709,194	372,179	3,055,161
Vocational	27,782	0	0	27,782
Support Services:				
Pupil	1,390,519	0	21,429	1,411,948
Instructional Staff	279,724	0	6,825	286,549
Board of Education	58,732	0	0	58,732
Administration	1,730,601	0	11,794	1,742,395
Fiscal	785,818	0	5,456	791,274
Business	0	0	2,500	2,500
Operation and Maintenance of Plant	1,825,836	0	102,866	1,928,702
Pupil Transportation	594,275	0	14,867	609,142
Central	671,458	0	0	671,458
Operation of Non-Instructional Services	3,003	0	355,793	358,796
Food Service Operations	8,615	0	816,600	825,215
Extracurricular Activities	538,289	0	624,908	1,163,197
Capital Outlay	600,146	0	1,195,288	1,795,434
Debt Service				
Principal Retirement	51,960	0	0	51,960
Interest	27,274	0	0	27,274
Issuance Costs	0	0	29,600	29,600
Total Expenditures	18,625,328	3,818,644	3,626,987	26,070,959
Excess of Revenues Over (Under) Expenditures	3,048,415	(3,503,408)	(1,226,018)	(1,681,011)
Other Financing Sources (Uses)				
Proceeds of Financed Purchase	0	0	1,230,000	1,230,000
Inception of Lease	497,887	0	0	497,887
Transfers In	0	3,503,408	227,100	3,730,508
Transfers Out	(3,730,508)	0	0	(3,730,508)
Total Other Financing Sources (Uses)	(3,232,621)	3,503,408	1,457,100	1,727,887
Net Change in Fund Balances	(184,206)	0	231,082	46,876
Fund Balances Beginning of Year	4,743,232	0	1,562,463	6,305,695
Fund Balances End of Year	\$4,559,026	\$0	\$1,793,545	\$6,352,571

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District
*Reconciliation of the 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 \$46,876

Amounts reported for governmental activities in the Statement of Activities are different because

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/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period.

Capital Assets Additions	1,509,814	
Depreciation/Amortization	(565,131)	
Total	944,683	944,683

Capital Assets removed from the capital asset account on the Statement of Net Position results in a gain or loss on disposal of capital assets on the Statement of Activities. (16,249)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:

Intergovernmental	(15,667)	
Delinquent Property Taxes	57,445	
Payment in Lieu of Taxes	165,518	
Tuition and Fees	142,471	
Total	349,767	349,767

Inception of leases and financed purchases are reported as other financing sources in the governmental funds, but the inception increases long term liabilities on the Statement of Activities.

Financed Purchases	(1,230,000)	
Leases Payable	(497,887)	
Total	(1,727,887)	(1,727,887)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Financed Purchases		51,960
--------------------	--	--------

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the Statement of Activities, and the accretion of interest of capital appreciation bonds is reported in the Statement of Activities. (10,035)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences		(95,284)
----------------------	--	----------

Contractually required contributions are reported as expenditures in the governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.

Pension	1,664,095	
OPEB	363,693	
Total	2,027,788	2,027,788

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB asset/liability are reported as expense in the Statement of Activities.

Pension	(863,976)	
OPEB	42,295	
Total	(821,681)	(821,681)

<i>Changes in Net Position of Governmental Activities</i>		\$749,938
---	--	-----------

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Property Taxes	\$14,186,050	\$14,186,050	\$13,610,403	(\$575,647)
Intergovernmental	5,017,611	5,017,611	5,452,639	435,028
Interest	300,000	300,000	266,463	(33,537)
Tuition and Fees	1,620,799	1,620,799	1,933,250	312,451
Gifts and Donations	8,000	8,000	48,983	40,983
Charges for Services	10,617	10,617	12,940	2,323
Payment in Lieu of Taxes	100,000	100,000	24,947	(75,053)
Miscellaneous	31,000	31,000	44,630	13,630
Total Revenues	21,274,077	21,274,077	21,394,255	120,178
Expenditures				
Current:				
Instruction:				
Regular	9,083,568	9,083,568	8,525,223	558,345
Special	2,192,946	2,192,946	2,153,175	39,771
Vocational	29,000	29,000	27,884	1,116
Support Services:				
Pupil	1,692,425	1,692,425	1,511,444	180,981
Instructional Staff	316,798	316,798	294,804	21,994
Board of Education	78,088	78,088	59,176	18,912
Administration	1,807,550	1,807,550	1,743,759	63,791
Fiscal	856,495	856,495	805,966	50,529
Operation and Maintenance of Plant	2,321,321	2,321,321	1,909,826	411,495
Pupil Transportation	736,737	736,737	607,592	129,145
Central	1,066,959	1,066,959	717,100	349,859
Operation of Non-Instructional Services	15,000	15,000	12,168	2,832
Extracurricular Activities	534,443	534,443	525,904	8,539
Capital Outlay	227,766	227,766	148,699	79,067
Total Expenditures	20,959,096	20,959,096	19,042,720	1,916,376
Excess of Revenues Over Expenditures	314,981	314,981	2,351,535	2,036,554
Other Financing Sources (Uses)				
Advances In	0	0	2,615	2,615
Advances Out	0	0	(8,653)	(8,653)
Transfers Out	(3,849,000)	(3,849,000)	(3,827,574)	21,426
Total Other Financing Sources (Uses)	(3,849,000)	(3,849,000)	(3,833,612)	15,388
Net Change in Fund Balance	(3,534,019)	(3,534,019)	(1,482,077)	2,051,942
Fund Balance Beginning of Year	4,490,986	4,490,986	4,490,986	0
Prior Year Encumbrances Appropriated	1,808,096	1,808,096	1,808,096	0
Fund Balance End of Year	\$2,765,063	\$2,765,063	\$4,817,005	\$2,051,942

See accompanying notes to the basic financial statements:

St. Clairsville-Richland City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Schoolwide Pool Fund
For the Fiscal Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues				
Total Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular	3,200,000	3,200,000	3,160,344	39,656
Special	<u>650,000</u>	<u>650,000</u>	<u>664,871</u>	<u>(14,871)</u>
Total Expenditures	<u>3,850,000</u>	<u>3,850,000</u>	<u>3,825,215</u>	<u>24,785</u>
Excess of Revenues Under Expenditures	(3,850,000)	(3,850,000)	(3,825,215)	24,785
Other Financing Sources				
Transfers In	<u>4,160,000</u>	<u>4,160,000</u>	<u>3,735,465</u>	<u>(424,535)</u>
Net Change in Fund Balance	310,000	310,000	(89,750)	(399,750)
Fund Deficit Beginning of Year	<u>(272,485)</u>	<u>(272,485)</u>	<u>(272,485)</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>\$37,515</u></u>	<u><u>\$37,515</u></u>	<u><u>(\$362,235)</u></u>	<u><u>(\$399,750)</u></u>

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District
Statement of Net Position
Fiduciary Funds
June 30, 2025

	Private Purpose Trust	Custodial
Assets		
Equity in Pooled Cash and Cash Equivalents	\$10,781	\$783
Net Position		
Held in Trust for Scholarships	10,781	0
Restricted for Individuals, Organizations and Other Governments	0	783
Total Net Position	<u>\$10,781</u>	<u>\$783</u>

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District*Statement of Changes in Net Position**Fiduciary Fund**For the Fiscal Year Ended June 30, 2025*

	Private Purpose Trust	Custodial
Additions		
Interest	\$388	\$0
Extracurricular Collections for Other Organizations	0	7,593
Total Additions	388	7,593
Deductions		
Payments in Accordance with Trust Agreements	500	0
Extracurricular Distributions to Other Organizations	0	13,733
Total Deductions	500	13,733
Change in Net Position	(112)	(6,140)
Net Position Beginning of Year	10,893	6,923
Net Position End of Year	<u>\$10,781</u>	<u>\$783</u>

See accompanying notes to the basic financial statements

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The first building used as a school house in St. Clairsville was built in 1802. Various buildings were used throughout St. Clairsville until 1868 when a red brick school house was built on the northeast corner of North Market and East Main Street at a cost of \$36,000. It was a 74' x 77' three-story building with a cupola on the top and a sandstone wall around it. It was used until 1916 when it was replaced by a building which was located at 106 Woodrow Avenue where the current Middle School and High School complex remains. In 1871 St. Clairsville High School held its first graduation. Currently, the School District has a high school building, middle school building including a connector facility, elementary building, high school gym, stadium complex, an administration building, a transportation building, and several storage facilities.

The St. Clairsville-Richland City School District is a body politic and corporate established for the purpose of exercising rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District operates under a locally-elected five-member Board form of government and provides educational services as authorized by state and federal agencies. The Board controls the School District's five instructional/support facilities staffed by 49 non-certificated employees, 102 certificated teaching personnel, and 14 administrators who provide services to 1,524 students and other community members.

Reporting Entity

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

Nonpublic Schools Within the School District boundaries, St. Mary's School is operated through the Catholic Diocese and East Richland Christian Schools is operated through the Friends Church. Current State legislation provides funding to these non-public schools. These monies are received and disbursed by the School District on behalf of the non-public school by the Treasurer of the School District, as directed by the non-public school. These transactions are reported as a governmental activity 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. The School District has no component units.

The School District is involved with the Belmont-Harrison Vocational School District, the Ohio Mid-Eastern Regional Educational Service Agency Information Technology Center Regional Council of Governments (Council), and the Coalition of Rural and Appalachian Schools (CORAS), which are defined as jointly governed organizations; the Ohio School Boards Association Workers' Compensation Group Rating Program and the Schools of Ohio Risk Sharing Authority (SORSA) which are defined as insurance purchasing pools; and the Jefferson Health Plan Self-Insurance Plan, which is defined as a risk sharing, claims servicing, and insurance purchasing pool. The School District is associated with the St. Clairsville Public Library which is defined as a related organization. These organizations are presented in Notes 17, 18, and 19 to the basic financial statements.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (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. The more significant of the School District's accounting policies are described below.

Basis of Presentation

The School District's basic financial statements consist of government-wide 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.

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. The statements usually distinguish between those activities of the School District that are governmental (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). The School District, however, has no business type activities.

The Statement of Net Position presents the financial condition of the governmental activities of the School District at 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. 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the 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 fund financial statements 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.

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 two categories: governmental and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically 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 School District's major governmental funds are the General Fund and the Schoolwide Pool Fund.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

General Fund The General Fund accounts for and reports 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 and transferred according to the general laws of Ohio.

Schoolwide Pool Fund – The Schoolwide Pool Fund is used to account for all financial resources required to operate the elementary school. The No Child Left Behind Act of 2001 provided the authority to pool all federal state and local funds necessary to upgrade the instructional program of school buildings where forty percent or greater of the students are from low-income families. The fund is utilized to pay all costs associated with operating the elementary school.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into the following four classifications: pension (and other employee benefit) 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 has certain characteristics. The School District has a private purpose trust fund which accounts for various college scholarships for students. Custodial Funds are used to report fiduciary activities that are not required to be reported in a trust fund.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the 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 (i.e., revenues) and decreases (i.e., expenses) in the 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 generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on 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 statements for governmental funds.

Like the government-wide statements, fiduciary funds are accounted for on 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 these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from private purpose trust funds, and custodial funds.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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 and the statements presented for the fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange 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 a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that 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 and grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 7). 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 a 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 to be both measurable and available at fiscal year end: property taxes available as an advance, investment earnings/interest, tuition, grants, fees, and charges for services.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes 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. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB plans. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 13 and 14.

In addition to liabilities, the statements of financial position 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 until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB, 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 on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental fund's balance sheet and represents receivables that will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, delinquent payment in lieu of taxes, intergovernmental grants, and tuition and fees. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 18. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position. See Notes 13 and 14.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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.

Cash and Cash Equivalents, and Investments

To improve cash management, all 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 cash equivalents." The School District utilizes a self-insurance third party administrator to review and pay claims. Money, if any, held by the administrator is presented as "cash and cash equivalents with fiscal agents".

During fiscal year 2025, the School District's investments were limited to STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

STAR Ohio reserves the right to limit participant transactions to \$250 million per day. Transactions in all of a participant's accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of \$100 million or more. For fiscal year 2025, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Following Ohio statutes, the Board of Education has, by resolution, specified the fund to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2025 amounted to \$273,448, which includes \$62,505 assigned from other School District funds.

Investments of the 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 and cash equivalents.

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, or laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the General Fund represent cash restricted for insurance premiums related to the underground storage tank.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption and purchased food/commodities held for resale.

Capital Assets

The only capital assets of the School District are general capital assets. These assets result from expenditures in the governmental funds and are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

All capital assets (except for intangible right to use lease assets which are discussed below) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The capitalization threshold is twenty-five thousand dollars for land and building improvement and five thousand dollars for all other asset types. Improvements are capitalized; 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.

All reported 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>Estimated Lives</u>
Land	N/A
Land Improvements	20-50 years
Buildings and Improvements	5-50 years
Furniture, Fixtures, and Equipment	5-20 years
Vehicles	5-10 years

The School District is reporting intangible right to use assets related to lease assets. The lease assets include equipment and represent nonfinancial assets which are being utilized for a period of time through leases from another entity. These intangible right to use assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated on the Statement of Net Position.

Compensated Absences

For the School District, compensated absences includes leave for which employees may receive cash payments when the leave is used for time off or receive cash payments for unused leave upon termination of employment. These payments could occur during employment or upon termination of employment. Compensated absences generally do not have a set payment schedule. The School District does not offer noncash settlements.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Liabilities should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates and is allowed to be carried over to subsequent years, and the leave is more likely than not to be used for time off or otherwise paid in cash. For the School District, this leave includes sick and vacation time. However, the School District also has certain compensated absences that are dependent upon the occurrence of sporadic events that affect a relatively small proportion of employees. A liability for these types of leave is recognized when the leave commences. For the School District, this type of leave includes bereavement leave, military leave, personal leave, on-the-job injury leave, and court leave. Holiday leave taken on a specific date, not at the discretion of the employee, is recognized as a liability when used. The liability for compensated absences includes salary-related payments, where applicable.

Liabilities for compensated absences are recognized in financial statements prepared using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to 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.

Leases Payable

The School District serves as a lessee in a noncancellable lease which is accounted for as follows:

Lessee At the commencement of a lease, the School District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Accrued Liabilities and Long-term Obligations

All payables accrued liabilities and long-term obligations are reported in the government-wide 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, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and loans are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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. Bonds, financed purchases, and long-term loans are recognized as a liability on the governmental fund financial statements when due.

Internal Activity

Transfers within government activities on the government-wide financial statements are reported in the same manner as general revenue.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments 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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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 governmental funds. The classifications are as follows:

Nonspendable: The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

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

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Education. Those committed amounts cannot be used for any other purpose unless the 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 the use in satisfying those contractual requirements. For fiscal year 2025, the School District has a committed fund balance for termination benefits and capital projects.

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 or 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 the Board of Education or a School District official delegated that authority by resolution or State statute. State statute authorizes the School District's Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The amount assigned in the General Fund represents future appropriations, and purchases on order at fiscal year end.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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 used only to report a deficit 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 either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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 the amounts in any of the unrestricted fund balance classifications could be used.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Net position restricted for other purposes include resources from local sources restricted to expenditures for student programs and underground storage tank deductibles. Restricted net position for OPEB plans represents the corresponding restricted asset amounts held in trust by the OPEB plans for future benefits.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. For reporting purposes, various custodial funds, utilized for internal control purposes, have been combined with the General Fund and the special revenue fund. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. Advances in/out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

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

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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

Some of the School District's funds are separate for budgetary purposes, and then combined on the GAAP basis. The Public School Support, Uniform School Supplies, and Termination Benefits Special Revenue Funds, as well as the Dental Self-Insurance Fund are budgeted individually on a cash basis but are combined with the General Fund on a GAAP basis.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2025, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences and GASB Statement No. 102, Certain Risk Disclosures.

GASB 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs such an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The implementation of GASB 101 increased the compensated absences liability and the cumulative effects of compensated absence related expense decreased beginning net position. This change in accounting principle is separately displayed by reporting unit in the accompanying financial statements.

GASB 102 will provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. GASB 102 requirements apply only to note disclosure and do not have any effect on beginning net position/fund balance. The School District evaluated their concentrations and constraints but did not have any events that required disclosure.

NOTE 4 - DEFICIT FUNDS

The following nonmajor special revenue funds had fund balance deficits as of June 30, 2025:

IDEA Part B	\$28,296
-------------	----------

The deficit is the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the General Fund needed for operations until the receipt of grant monies. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While the School District is 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, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General Fund and Schoolwide Pool Special Revenue Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or unassigned fund balance (GAAP basis).
4. Transfers in and transfers out that are balance sheet transactions (GAAP) as opposed to operating transfers (Budget), as well as the reclassification of revenue that is required to be transferred on a cash (budget basis), but is reported as revenue on the operating statement (GAAP basis).
5. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
6. The perspective difference represents the net change in fund balance for certain funds are accounted for as separate funds internally with legally adopted budgets (budget basis), but do not otherwise meet the criteria for separate reporting in external financial statements and included with the General Fund on a GAAP basis.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and the Schoolwide Pool Special Revenue Fund.

Net Change in Fund Balance		
	General	Schoolwide Pool
GAAP Basis	(\$184,206)	\$0
Revenue Accruals	(687,218)	(315,236)
Advances In	2,615	0
Transfers In	0	232,057
Expenditure Accruals	622,643	(6,571)
Advances Out	(8,653)	0
Transfers Out	(97,066)	0
Perspective Difference	158,349	0
Encumbrances	(1,288,541)	0
Budget Basis	<u>(\$1,482,077)</u>	<u>(\$89,750)</u>

NOTE 6 - DEPOSITS AND INVESTMENTS

Monies held by the School District are classified by State statute into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the School District treasury. Active 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.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Inactive deposits are public deposits that the Board 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.

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 held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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 obligation or security 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, and Government National Mortgage 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 the market 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 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 division (1) or (2) 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 (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim moneys available for investment at the time of purchase.

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. 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.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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.

At June 30, 2025, the School District's internal service fund had a balance of \$174,562 with Jefferson Health Plan Self Insurance Plan, a risk-sharing, claims servicing, and insurance purchasing pool (See Note 18). The balance is held by the claims administrator in a pooled account which is representative of numerous entities and therefore cannot be included in the risk disclosures reported by the School District. Disclosures for the Jefferson Health Plan Self-Insurance Plan as a whole may be obtained from the Plan's fiscal agent, the Jefferson County Educational Service Center. To obtain financial information, write to the Jefferson Health Plan Self-Insurance Plan, Treasurer, Jefferson County ESC, Steubenville, Ohio 43952.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2025, \$224,071 of the School District's total bank balance of \$1,993,809 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. One of the School District's financial institutions participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 85 percent resulting in the uninsured and uncollateralized balance.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

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 market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of June 30, 2025, the School District's only investment was in STAR Ohio. STAR Ohio is measured at net asset value per share. The value of the investment in STAR Ohio was \$6,884,120 and the investment has an average maturity of 30.4 days.

Interest Rate Risk. The School District's investment policy addresses interest rate risk to the extent that it allows the Treasurer to invest funds to a maximum maturity of five years, and allows for the withdrawal of funds from approved public depositories or sale of negotiable instruments prior to maturity. State Statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk. STAR Ohio carries a rating of AAAM by Standard and Poor's. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized statistical rating organization. The School District has no investment policy that would further limit its investment choices.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

NOTE 7 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the School District's 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 and public utility property located in the School District. Real property tax revenue received in calendar 2025 represents collections of calendar year 2024 taxes. Real property taxes received in calendar year 2025 were levied after April 1, 2024, on the assessed value listed as of January 1, 2024, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, 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 revenue received in calendar year 2025 represents collections of calendar year 2024 taxes. Public utility real and tangible personal property taxes received in calendar year 2025 became a lien December 31, 2023, were levied after April 1, 2024, and are collected with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Belmont 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 2025 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which were 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 reflected 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 of resources – property taxes.

The amount available as an advance at June 30, 2025, was \$726,750 in the General Fund, and \$21,150 in the Permanent Improvement Fund. The amount available as an advance at June 30, 2024, was \$656,967 in the General Fund, and \$9,794 in the Permanent Improvement Fund.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

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

	2024 Second - Half Collections		2025 First - Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$559,997,170	84.29%	\$698,152,610	85.54%
Public Utility Personal	104,394,530	15.71%	118,003,790	14.46%
Total	<u>\$664,391,700</u>	<u>100.00%</u>	<u>\$816,156,400</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$33.55		\$33.55	

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

NOTE 8 - RECEIVABLES

Receivables at June 30, 2025, consisted of property taxes, revenues in lieu of taxes, interfund, and intergovernmental grants. All receivables, except for delinquent property taxes, 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. Delinquent property taxes deemed collectible by the County Auditor and recorded as a receivable in the amount of \$340,892 may not be collected within one year. All other receivables are expected to be collected within one year. A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities:	
Excess Cost Reimbursement from Other School Districts	\$136,716
Per Diem Reimbursements from Other School Districts	856,170
Medicaid Reimbursement	3,076
IDEA - Part B Grant	88,536
Title I-A Grant	31,386
Title II-A Grant	6,485
Title IV-A Grant	2,394
IDEA Early Childhood Special Education Grant	<u>7,824</u>
Total	<u><u>\$1,132,587</u></u>

Payment In Lieu of Taxes

Business Development On December 31, 2015, the Board of Education adopted a resolution authorizing a tax increment financing arrangement (TIF), pursuant to Ohio Revised Code Sections 5709.77 through 5709.80 with Belmont County and the St. Clairsville Richland City School District. The County is required to calculate an amount due to the School District, net of allowable debt service costs, had the TIF not been in effect. At June 30, 2025, \$450,302 is reported as a receivable with \$297,626 not expected to be collected within one year.

St. Clair Commons On June 8, 2016, the Board of Education adopted a resolution authorizing a tax increment financing arrangement (TIF), and revenue sharing agreement, pursuant to Ohio Revised Code Sections 5709.40 and 5709.82 respectively, with the City of St. Clairsville. As of June 30, 2025, \$39,507 is reported as a receivable and is deferred to finance operations in the subsequent year.

NOTE 9 - INTERNAL BALANCES

Interfund Balances

Interfund balances at June 30, 2025, consist of the following interfund receivables and payables:

	<u>Interfund Receivable</u>		
<u>Interfund Payable</u>	<u>General Fund</u>	<u>Schoolwide Pool Fund</u>	<u>Total</u>
General Fund	\$0	\$542,165	\$542,165
Other Nonmajor Governmental Funds	<u>44,854</u>	<u>40,265</u>	<u>85,119</u>
Total	<u><u>\$44,854</u></u>	<u><u>\$582,430</u></u>	<u><u>\$627,284</u></u>

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

The balance due to the Schoolwide Pool Fund from the General and Other Governmental Funds are for costs associated with the operation of the elementary school in accordance with the schoolwide program that will be transferred as cash is needed to fund the program. The loans made to the Food Service, Miscellaneous Local, Miscellaneous Federal Grants, and IDEA-B Special Revenue Funds were made to support the programs, and to cover actual cash deficits, until federal and other monies are received.

Transfers

Interfund transfers for the fiscal year ended June 30, 2025 consisted of the following:

Transfers from	Transfers to		Total
	Schoolwide Pool Fund	Other Nonmajor Governmental Funds	
General Fund	\$3,503,408	\$227,100	\$3,730,508

Transfers from the General Fund to the Schoolwide Pool Fund were used to move receipts in accordance with the schoolwide building program. Transfers from the General Fund to Other Governmental Funds were to provide funding for Miscellaneous Local Fund's athletics programs, to accumulate resources in the Permanent Improvement Fund for ongoing and future projects, and to provide resources for the Capital Projects Fund for athletic facilities.

NOTE 10 - CAPITAL ASSETS

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

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
<i>Government Activities</i>				
<i>Non Depreciable Capital Assets</i>				
Land	\$1,330,849	\$0	\$0	\$1,330,849
Construction in Progress	75,935	281,972	(75,935)	281,972
<i>Total Non Depreciable Assets</i>	1,406,784	281,972	(75,935)	1,612,821
<i>Depreciable Capital Assets</i>				
Land Improvements	1,885,169	543,154	(18,088)	2,410,235
Buildings and Improvements	15,195,824	237,086	0	15,432,910
Furniture, Fixtures, and Equipment	2,798,424	25,650	0	2,824,074
Vehicles	1,308,619	0	0	1,308,619
<i>Total Tangible Assets</i>	\$21,188,036	\$805,890	(\$18,088)	\$21,975,838

St. Clairsville-Richland City School District*Notes to the Basic Financial Statements**For the Fiscal Year Ended June 30, 2025*

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
<i>Government Activities</i> (Continued)				
<i>Intangible Right to Use</i>				
<i>Lease Assets</i>				
Intangible Right to Use - Buildings	\$0	\$379,153	\$0	\$379,153
Intangible Right to Use - Equipment	0	118,734	0	118,734
<i>Total Intangible Right to Use Assets</i>	0	497,887	0	497,887
<i>Total Depreciable Capital Assets</i>	21,188,036	1,303,777	(18,088)	22,473,725
<i>Less Accumulated Depreciation</i>				
<i>Depreciation</i>				
Land Improvements	(929,802)	(83,069)	1,839	(1,011,032)
Buildings and Improvements	(9,487,421)	(266,171)	0	(9,753,592)
Furniture, Fixtures, and Equipment	(2,177,548)	(73,881)	0	(2,251,429)
Vehicles	(832,461)	(80,348)	0	(912,809)
<i>Total Depreciation</i>	(13,427,232)	(503,469)	1,839	(13,928,862)
<i>Amortization</i>				
<i>Intangible Right to Use</i>				
<i>Lease Assets</i>				
Intangible Right to Use - Buildings	0	(37,915)	0	(37,915)
Intangible Right to Use - Equipment	0	(23,747)	0	(23,747)
<i>Total Intangible Right to Use Assets</i>	0	(61,662)	0	(61,662)
<i>Total Accumulated Depreciation</i>	(13,427,232)	(565,131)	1,839	(13,990,524)
Depreciable Capital Assets, Net	7,760,804	738,646	(16,249)	8,483,201
Governmental Activities Capital Assets, Net	\$9,167,588	\$1,020,618	(\$92,184)	\$10,096,022

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

St. Clairsville-Richland City School District*Notes to the Basic Financial Statements**For the Fiscal Year Ended June 30, 2025*

	<u>Depreciation</u>	<u>Amortization</u>	<u>Total</u>
Instruction:			
Regular	\$153,625	\$17,810	\$171,435
Special	33,282	0	33,282
Vocational	2,662	0	2,662
Support Services:			
Pupils	7,985	0	7,985
Instructional Staff	21,294	0	21,294
Board of Education	2,662	0	2,662
Administration	22,234	5,937	28,171
Fiscal	5,323	0	5,323
Operation and Maintenance of Plant	104,735	0	104,735
Transportation	78,815	0	78,815
Central	4,452	0	4,452
Food Service Operations	10,098	0	10,098
Non-Instructional Services	901	0	901
Extracurricular	55,401	37,915	93,316
Total	<u>\$503,469</u>	<u>\$61,662</u>	<u>\$565,131</u>

NOTE 11 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2025, the School District contracted with Schools of Ohio Risk Sharing Authority for property and inland marine coverage, and for fleet insurance and liability insurance. The SORSA Insurance Coverage is provided by McBane Insurance Company, who's total limit of liability, including any insured business interruption loss, will not exceed the policy limit of \$350,000,000 as a result of any one occurrence subject to the respective sub-limits of liability. A summary of items subject to the policy limit and significant sub-limits of liabilities are presented as follows:

Coverage	Limit
Protection and Preservation of Property - Property Damage	Subject to Policy Limit
Debris Removal	Subject to Policy Limit
Decontamination Costs	Subject to Policy Limit
Demolition and Increased Cost of Construction	10,000,000
Data Restoration (Annual Aggregate)	350,000
Accounts Receivable	1,000,000
Errors and Omissions	1,000,000
Extra Expense	2,500,000
Earth Movement (Annual Aggregate)	8,000,000
Flood (Annual Aggregate)	8,000,000
Gross Earnings	2,000,000
Gross Profits (Not to exceed 12 months)	2,000,000
Motor Vehicle Coverage	15,000,000
Newly Acquired/Under Construction Property	10,000,000
Unnamed Property	1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from last year.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

For fiscal year 2025, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 18). 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 participating school districts is calculated as one experience and a common premium rate is applied to all school districts 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 school districts that can meet the GRP's selection criteria. The firm of Paramount Preferred Solutions provides administrative, cost control and actuarial services to the GRP.

The School District is a member of the Jefferson Health Plan Self-Insurance Plan, a risk-sharing, claims servicing and insurance purchasing pool through which dental coverage is provided to employees. Of the total monthly premiums of \$82.52, \$75.51 is paid by the Board, and \$7.01 is paid by the employees to the fiscal agent who in turn pays the claims on the School District's behalf. All employees are offered dental coverage through the self-insured program. The School District reports the program in the General Fund.

The claims liability of \$15,104 reported in the General Fund at June 30, 2025, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2024	\$12,483	\$129,102	\$96,828	\$10,854
2025	10,854	107,350	133,308	15,104

NOTE 12 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and certain administrators earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and the remaining administrators do not earn vacation time. All employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 225 days for classified employees and to a maximum of 240 days for certified employees. Upon retirement for classified employees, payment is made for one third of the first 120 days of sick leave accumulation plus 12 percent of excess over 120 days up to 225 days. Upon retirement for certified employees, the Board shall pay the total per diem rate for one-third of the total sick days accumulated.

Other Insurance

In addition to the dental self-insured coverage offered, the School District offers all employees medical/surgical and prescription drug insurance coverage. All employees are offered medical/surgical and prescription drug insurance coverage through AultCare. The monthly premium is \$2,235.70 for a family plan and \$949.34 for a single plan. The Board of Education pays approximately 91.5 percent of the premiums. The School District also provides life insurance and accidental death and dismemberment insurance to all employees from American

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

United Life Insurance Company in an amount of \$30,000 per employee. The Board pays 100 percent of the monthly premiums of \$3.00 for this coverage.

Retirement Incentive

For fiscal year 2025, the School District offered a retirement incentive, in the amount of \$10,000, to any teacher, otherwise eligible for retirement through STRS, who by June 30, 2025, will have 30 years of service, and who, by April 15, 2025, submitted a letter of retirement to the Board, through the Treasurer, to be effective June 30, 2025. At June 30, 2025, there was no liability for this benefit.

NOTE 13 - 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 represent liabilities to employees for pensions and OPEB, respectively. Pensions/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) represents 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.

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 proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

Plan Description – School District 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 on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Age 65 with 5 years of service credit; or 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 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 percent for the first thirty years of service and 2.5 percent 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 percent and with a floor of 0 percent. 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 percent COLA for calendar year 2024.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent 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 percent for plan members and 14 percent 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 14.0 percent. 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 \$342,522 for fiscal year 2025, of which the full amount has been contributed. Of this amount, \$10,594 is reported as an intergovernmental payable.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Plan Description - State Teachers Retirement System (STRS)

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee 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 Web site 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 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 August 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 August 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 their member contributions and 11.09 percent of the 14 percent 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 percent of the 14 percent 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 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent 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 fifty and after termination of employment.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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 2025 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2025, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$1,321,573 for fiscal year 2025. Of this amount, \$171,344 is reported as an intergovernmental payable.

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:			
Current Measurement Date	0.05198180%	0.06508877%	
Prior Measurement Date	<u>0.05470930%</u>	<u>0.06469155%</u>	
Change in Proportionate Share	<u>-0.00272750%</u>	<u>0.00039722%</u>	
Proportionate Share of the Net			
Pension Liability	\$2,659,179	\$12,524,131	\$15,183,310
Pension Expense	\$186,039	\$677,937	\$863,976

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

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$101,525	\$788,693	\$890,218
Changes of assumptions	23,789	577,181	600,970
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	9,786	44,137	53,923
School District contributions subsequent to the measurement date	<u>342,522</u>	<u>1,321,573</u>	<u>1,664,095</u>
Total Deferred Outflows of Resources	<u>\$477,622</u>	<u>\$2,731,584</u>	<u>\$3,209,206</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$6,858	\$6,858
Changes of assumptions	0	434,451	434,451
Net difference between projected and actual earnings on pension plan investments	166,330	1,076,821	1,243,151
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	<u>107,700</u>	<u>180,971</u>	<u>288,671</u>
Total Deferred Inflows of Resources	<u>\$274,030</u>	<u>\$1,699,101</u>	<u>\$1,973,131</u>

\$1,664,095 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2026	(\$162,898)	(\$760,139)	(\$923,037)
2027	129,524	1,091,962	1,221,486
2028	(56,646)	(375,464)	(432,110)
2029	<u>(48,910)</u>	<u>(245,449)</u>	<u>(294,359)</u>
Total	<u>(\$138,930)</u>	<u>(\$289,090)</u>	<u>(\$428,020)</u>

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 termination). 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.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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, are presented below:

Inflation	2.4 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of Investment expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members was based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent 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*. 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:

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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	<u>100.00 %</u>	

Discount Rate The total pension liability for 2024 was calculated using the discount rate of 7.00 percent. 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 percent. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). 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 percent.

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 net pension liability calculated using the discount rate of 7.00 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$4,068,176	\$2,659,179	\$1,472,880

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2024, actuarial valuation are presented below:

Inflation	2.50 percent
Salary increases	From 2.5 percent to 8.5 percent based on service
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent 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 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable 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.

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 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	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 2.4 percent, 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 percent 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 rate increases described above. 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 percent was applied to all periods of projected benefit payment 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 presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 percent, as well as what the School District's 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 percent) or one-percentage-point higher (8.00 percent) than the current rate:

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$20,203,618	\$12,524,131	\$6,028,604

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2025, three Board Members have elected Social Security. The contribution rate is 6.2 percent of wages.

NOTE 14 - DEFINED BENEFIT OPEB PLANS

See Note 13 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, 1981, 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.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

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 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2025, no allocation was made to 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 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2025, the School District's surcharge obligation was \$42,295.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$42,295 for fiscal year 2025, which is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan 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 percent of covered payroll. For the fiscal year ended June 30, 2025, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liability (Asset), 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 independent 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:

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.05269450%	0.06508877%	
Prior Measurement Date	<u>0.05589470%</u>	<u>0.06469155%</u>	
Change in Proportionate Share	<u>-0.00320020%</u>	<u>0.00039722%</u>	
Proportionate Share of the:			
Net OPEB Liability	\$536,691	\$0	\$536,691
Net OPEB (Asset)	\$0	(\$1,234,610)	(\$1,234,610)
OPEB Expense	(\$90,640)	(\$273,053)	(\$363,693)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$53,670	\$53,670
Changes of assumptions	230,348	151,964	382,312
Net difference between projected and actual earnings on OPEB plan investments	2,620	0	2,620
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	12,450	7,916	20,366
School District contributions subsequent to the measurement date	<u>42,295</u>	<u>0</u>	<u>42,295</u>
Total Deferred Outflows of Resources	<u>\$287,713</u>	<u>\$213,550</u>	<u>\$501,263</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$578,692	\$133,049	\$711,741
Changes of assumptions	246,536	556,801	803,337
Net difference between projected and actual earnings on OPEB plan investments	0	53,011	53,011
Changes in Proportionate Share and difference between School District contributions and proportionate share of contributions	<u>168,423</u>	<u>2,286</u>	<u>170,709</u>
Total Deferred Inflows of Resources	<u>\$993,651</u>	<u>\$745,147</u>	<u>\$1,738,798</u>

\$42,295 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, or an increase to the net OPEB asset, in the 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:

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2026	(\$177,341)	(\$184,703)	(\$362,044)
2027	(131,686)	(82,687)	(214,373)
2028	(105,512)	(106,005)	(211,517)
2029	(88,985)	(98,649)	(187,634)
2030	(88,196)	(79,808)	(168,004)
Thereafter	<u>(156,513)</u>	<u>20,255</u>	<u>(136,258)</u>
Total	<u>(\$748,233)</u>	<u>(\$531,597)</u>	<u>(\$1,279,830)</u>

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, are presented as follows:

St. Clairsville-Richland City School District*Notes to the Basic Financial Statements**For the Fiscal Year Ended June 30, 2025*

	<u>June 30, 2024</u>
Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Fiduciary Net Position is Projected to be Depleted	2059
Municipal Bond Index Rate:	
Measurement Date	3.93 percent
Prior Measurement Date	3.86 percent
Single Equivalent Interest Rate,	
Measurement Date	4.88 percent
Prior Measurement Date	4.27 percent
Health Care Cost Trend Rate	
Medical Trend Assumption	
Measurement Date	7.00 to 4.40 percent
Prior Measurement Date	6.75 to 4.40 percent

Mortality rates among healthy retirees 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 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members was based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table. 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 of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers 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 percent, 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 SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 13.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2024, was 4.88 percent. The discount rate used to measure total OPEB liability prior to June 30, 2024, was 4.27 percent. 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 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was 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 percent at June 30, 2024, and 3.86 percent 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 net OPEB liability of SERS, what SERS' 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 SERS' 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.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
School District's proportionate share of the net OPEB liability	\$715,658	\$536,691	\$394,477

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$362,783	\$536,691	\$765,279

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2024, actuarial valuation compared to the prior year are presented as follows:

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

	June 30, 2024	June 30, 2023
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by service from 2.5 percent to 8.5 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 3.94 percent ultimate	7.50 percent initial 4.14 percent ultimate
Medicare	-112.22 percent initial 3.94 percent ultimate	-10.94 percent initial 4.14 percent ultimate
Prescription Drug		
Pre-Medicare	8.00 percent initial 3.94 percent ultimate	-11.95 percent initial 4.14 percent ultimate
Medicare	-15.14 percent initial 3.94 percent ultimate	1.33 percent initial 4.14 percent ultimate

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

Healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent 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 percent 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.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 13.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent 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 these 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 percent 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 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is 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.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
School District's proportionate share of the net OPEB asset	(\$1,003,819)	(\$1,234,610)	(\$1,435,448)

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's proportionate share of the net OPEB asset	(\$1,449,014)	(\$1,234,610)	(\$976,760)

NOTE 15 - LONG TERM OBLIGATIONS

The changes in the School District's long-term obligations during the year consist of the following:

	<u>Outstanding 7/1/2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 6/30/2025</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Financed Purchases					
from Direct Borrowings					
2019 Copiers @ 8.94%	\$4,611	\$0	\$4,611	\$0	\$0
Science Lab @ 4.49%	0	1,230,000	0	1,230,000	88,000
Total Financed Purchases	4,611	1,230,000	4,611	1,230,000	88,000
Leases Payable					
ECO Center	0	379,153	27,635	351,518	28,900
Copiers	0	118,734	19,714	99,020	21,551
Total Leases Payable	0	497,887	47,349	450,538	50,451
Compensated Absences Payable	4,622,933	95,284	0	4,718,217	690,145
Net Pension Liability					
SERS	3,022,971	0	363,792	2,659,179	0
STRS	13,931,286	0	1,407,155	12,524,131	0
Total Net Pension Liability	16,954,257	0	1,770,947	15,183,310	0
Net OPEB Liability	920,834	0	384,143	536,691	0
Total Governmental Activities	<u>\$22,502,635</u>	<u>\$1,823,171</u>	<u>\$2,207,050</u>	<u>\$22,118,756</u>	<u>\$828,596</u>

Increases and decreases to compensated absences are presented net on the above table.

Financed Purchases

In prior years, the School District has entered into contracts to finance the acquisitions of copier equipment. During fiscal year 2025, the School District entered into a financed purchase obligation for the improvements to and purchase of school facilities, predominantly the high school science lab, in the amount of \$1,230,000 to be paid from the Building Capital Projects Fund. This agreement includes an interest rate of 4.49 percent. As of June 30, 2025, \$1,107,551 of the financed purchase cash proceeds remain unspent, before contract and retainage payable amounts are applied.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Future financed purchase payments through fiscal year 2026 are as follows:

<u>Fiscal Year</u>	<u>Science Lab</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$88,000	\$49,723
2027	60,000	49,929
2028	63,000	47,167
2029	66,000	44,271
2030	69,000	41,241
2031-2035	393,000	155,915
2036-2040	491,000	57,001
Totals	<u>\$1,230,000</u>	<u>\$445,247</u>

Upon the occurrence of an Event of Default by the Lessee (School District), the Lessor (Flagstar Public Funding Corp) has the following remedies:

1. By 30 days' prior written notice to the Lessee, request the Lessee to (and the Lessee agrees that it will), promptly return possession of the Project Site and the Project Facilities to the Lessor, provided that the Lessee may first remove any or all of its personal property from the Project Facilities.
2. After written notice to the Lessee, sublease the Project Site and the Project Facilities for the account of the Lessee, holding the Lessee liable for all applicable Lease Payments and any other payments due or past due during the then-current Lease Term to the effective date of such subleasing and for the difference between the rental and other amounts paid by the sublessee pursuant to such sublease and the amounts payable during the then-current Lease Term by the Lessee under this Agreement; and
3. Exercise any other right, remedy or privilege which may be available to it under applicable laws of the State or any other applicable law, and/or proceeding by appropriate court action to enforce the terms of this Agreement, including mandamus and specific performance, or to recover damages for the breach of this Agreement or to rescind this Agreement as to the lease of the Project Facilities to the Lessee.

Financed purchases will be paid from the Permanent Improvement Fund.

Leases

During the fiscal year, the School District entered into a lease agreement for the right to use building space at the ECO Center, located on the Campus of Ohio University Eastern, for various extracurricular activities. The future lease payments were discounted based on the interest rate implicit in the lease. This discount is being amortized using the interest method over the life of the lease. The lease is for a ten-year period and expires on June 30, 2034. This lease will be paid from the General Fund. During the fiscal year, the School District also entered into a lease agreement to lease copiers. The future lease payments were discounted based on the interest rate implicit in the lease. This discount is being amortized using the interest method over the life of the lease. The lease is for a 60-month period and includes both a minimum monthly cost for the equipment and per-use charges. The lease term expires in June of 2029. The lease will be paid from the General Fund.

A summary of the principal and interest amounts for the outstanding leases is as follows:

St. Clairsville-Richland City School District*Notes to the Basic Financial Statements**For the Fiscal Year Ended June 30, 2025*

	ECO Center Lease		Copiers		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$28,900	\$16,100	\$21,551	\$7,986	\$50,451	\$24,086
2027	30,224	14,776	23,559	5,978	53,783	20,754
2028	31,608	13,392	25,755	3,782	57,363	17,174
2029	33,056	11,944	28,155	1,382	61,211	13,326
2030	36,820	10,430	0	0	36,820	10,430
2031-2034	190,909	22,931	0	0	190,909	22,931
	<u>\$351,518</u>	<u>\$89,573</u>	<u>\$99,020</u>	<u>\$19,128</u>	<u>\$450,538</u>	<u>\$108,701</u>

The overall debt margin of the School District as of June 30, 2025, was \$73,454,076 with an unvoted debt margin of \$816,156.

There is no repayment schedule for the net pension liability or the net OPEB liability. However, employer pension contributions are made from the following funds: General Fund, Miscellaneous Local, Miscellaneous State, IDEA-B, Title I, and Food Service Special Revenue Funds. For additional information related to the net pension liability and the net OPEB liability, see Notes 13 and 14.

NOTE 16 - COMMITMENTS***Encumbrances***

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were \$1,288,541 in the General Fund, and \$1,562,733 in Other Nonmajor Governmental Funds.

Construction Commitments

The School District has entered into contractual commitments for a construction project. The project will be paid for from the Building Capital Project Fund with the proceeds of a financed purchase agreement. A summary of the commitment is presented as follows:

Project	Contract Amount	Completed as of 6/30/2025	Amount Remaining on Contract
High School Science Lab	\$745,000	\$205,568	\$539,432

NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS

Belmont-Harrison Vocational School District – The Belmont-Harrison Vocational School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating school district's elected boards, which possesses its own budgeting and taxing authority. During fiscal year 2025, the School District made no contributions to the Belmont-Harrison Vocational School District. To obtain financial information write to the Belmont-Harrison Vocational School, Mark Lucas, who serves as Treasurer, at 68090 Hammond Road, St. Clairsville, Ohio 43950.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Ohio Mid-Eastern Regional Educational Service Agency Information Technology Center Regional Council of Governments (Council) – The School District participates in the Ohio Mid-Eastern Regional Educational Service Agency Information Technology Center Regional Council of Governments (Council). The Council was created as a separate regional council of governments pursuant to State Statutes. The Council operates under the direction of a Board composed of a representative from each participating school district. The Board exercised total control over the operations of the Council including budgeting, appropriating, contracting, and designating management. Each participant's control is limited to its representation on the Board. The Council provides information technology and internet access to member districts, as well as cooperative purchasing programs. During fiscal year 2025, the total amount paid to OME-RESA from the School District \$98,677 for technology services, financial accounting services, and educational management information services. To obtain financial information write to Ohio Mid-Eastern Regional Educational Service Agency, Treasurer, at 2230 Sunset Blvd., Steubenville, Ohio 43952.

Coalition of Rural and Appalachian Schools (CORAS) - The Coalition of Rural and Appalachian Schools (CORAS) is a jointly governed organization including over 120 school districts and other educational institutions in the 32-county region of Ohio designated as Appalachia. The CORAS is operated by a nineteen-member board composed of one elected and one appointed (one appointed seat is empty) from each of the eight regions into which the 32 Appalachian counties are divided, one dean appointment from the Ohio University College of Education, and three ex-officio members. The board exercises total control over the operations of the CORAS including budgeting, appropriating, contracting, and designating management. Each participant's control is limited to its representation on the board. The CORAS provides various in-service training programs for school district administrative personnel; gathers data regarding the level of education provided to children in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The CORAS is not dependent on the continued participation of the School District and the School District does not maintain an equity interest in or financial responsibility for the CORAS. Financial information may be obtained from the Coalition of Rural and Appalachian Schools at 322 Patton Hall, Ohio University, Athens, Ohio 45701. The School District's membership fee was \$400 for fiscal year 2025.

NOTE 18 - PUBLIC ENTITY POOLS

Insurance Purchasing Pools

Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP) – The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program, 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 as coordinator of the program.

Schools of Ohio Risk Sharing Authority (SORSA) – The School District participates in the Schools of Ohio Risk Sharing Authority (SORSA), a protected self-insurance purchasing pool under the authority of Ohio Revised Code 2744. One hundred twenty one school districts, educational service centers, and joint vocational school districts participate in the SORSA. SORSA is governed by a board of trustees elected by members. Member school districts agree to jointly participated in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by SORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance, and public official's errors and omissions liability insurance.

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

Risk Sharing, Claims Servicing, and Insurance Purchasing Pool

The Jefferson Health Plan Self-Insurance Plan – The School District participates in the Jefferson Health Plan Self-Insurance Plan, a risk-sharing, claims servicing, and insurance purchasing pool composed of over one hundred eighty members. Each participant appoints a member of the insurance plans' assembly. The Plans' business affairs are conducted by a nine member Board of Directors elected from the assembly. The plan offers medical, dental, vision and prescription drug coverage to the members on a self-insured basis, as well as the opportunity to participate in the group purchasing of life insurance coverage. The School District only participates in the pool for dental insurance. All plan participants also pay a monthly administrative fee for fiscal services and third party administrative services. The plan also purchases fully insured life insurance for plan participants provided by American United Life Insurance Company.

NOTE 19 - RELATED ORGANIZATION

The St. Clairsville Public Library – The St. Clairsville Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the St. Clairsville-Richland City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operating subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the St. Clairsville Public Library, Clerk/Treasurer, at 108 West Main Street, St. Clairsville, Ohio 43950.

NOTE 20 - CONTINGENCIES

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is 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.

Litigation

The School District is currently not party to legal proceedings.

NOTE 21 - SET-ASIDE CALCULATIONS AND FUND RESTRICTIONS

The School District is required by State statute to annually set aside in the General Fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by fiscal year end or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year end and carried forward to be used for the same purposes in future fiscal years.

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

St. Clairsville-Richland City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2025

	<u>Capital Improvements</u>
Set-aside Restricted Balance as of June 30, 2024	\$0
Current Year Set-aside Requirement	388,218
Current Year Qualifying Expenditures	(104,249)
Current Year Qualifying Transfers and Offsets	<u>(493,212)</u>
Totals	<u>(\$209,243)</u>

The School District had qualifying offsets and expenditures during the fiscal year that reduced the set-aside amount below zero. The excess in the capital maintenance set-aside may not be carried forward to reduce the set-aside requirement in future fiscal years.

NOTE 22 - COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021, while the national state of emergency ended in April 2023. During fiscal year 2025, the School District received COVID-19 funding. The School District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

This page intentionally left blank.

St. Clairsville-Richland City School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
*Last Ten Fiscal Years**

	2025	2024	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.0519818%	0.0547093%	0.0542993%	0.0558422%	0.0572691%
School District's Proportionate Share of the Net Pension Liability	\$2,659,179	\$3,022,971	\$2,936,929	\$2,060,415	\$3,787,899
School District's Covered Payroll	\$2,250,021	\$2,169,271	\$2,027,757	\$1,930,243	\$1,933,243
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	118.18%	139.35%	144.84%	106.74%	195.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.52%	76.06%	75.82%	82.86%	68.55%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016
0.0551937%	0.0573319%	0.0539121%	0.0543295%	0.0549921%
\$3,302,336	\$3,283,504	\$3,221,129	\$3,976,418	\$3,137,903
\$1,957,022	\$1,786,741	\$1,685,286	\$1,697,814	\$1,660,607
168.74%	183.77%	191.13%	234.21%	188.96%
70.85%	71.36%	69.50%	62.98%	69.16%

St. Clairsville-Richland City School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
*Last Ten Fiscal Years**

	2025	2024	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.06508877%	0.06469155%	0.06563085%	0.06577156%	0.06493535%
School District's Proportionate Share of the Net Pension Liability	\$12,524,131	\$13,931,286	\$14,589,822	\$8,409,486	\$15,712,043
School District's Covered Payroll	\$9,046,093	\$8,889,029	\$8,789,579	\$8,141,079	\$7,896,657
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	138.45%	156.72%	165.99%	103.30%	198.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.50%	80.00%	87.80%	87.80%	75.50%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016
0.06459837%	0.06090865%	0.06225844%	0.06046556%	0.05883903%
\$14,285,541	\$13,392,445	\$14,789,627	\$20,239,646	\$16,261,385
\$7,642,907	\$7,211,664	\$6,643,871	\$6,379,793	\$6,191,171
186.91%	185.71%	222.61%	317.25%	262.65%
77.40%	77.30%	75.30%	66.80%	72.10%

St. Clairsville-Richland City School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
*Last Nine Fiscal Years (1)**

	2025	2024	2023	2022	2021
School District's Proportion of the Net OPEB Liability	0.0526945%	0.0558947%	0.0552228%	0.0571627%	0.0582916%
School District's Proportionate Share of the Net OPEB Liability	\$536,691	\$920,834	\$775,335	\$1,081,850	\$1,266,868
School District's Covered Payroll	\$2,250,021	\$2,169,271	\$2,027,757	\$1,930,243	\$1,933,243
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	23.85%	42.45%	38.24%	56.05%	65.53%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	44.50%	30.02%	30.34%	24.08%	18.17%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017
0.0559835%	0.0576759%	0.0541356%	0.0545436%
\$1,407,868	\$1,600,085	\$1,452,856	\$1,554,694
\$1,957,022	\$1,786,741	\$1,685,286	\$1,697,814
71.94%	89.55%	86.21%	91.57%
15.57%	13.57%	12.46%	11.49%

St. Clairsville-Richland City School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB (Asset) Liability
State Teachers Retirement System of Ohio
*Last Nine Fiscal Years (1)**

	2025	2024	2023	2022	2021
School District's Proportion of the Net OPEB (Asset) Liability	0.06508877%	0.06469155%	0.06563085%	0.06577156%	0.06493535%
School District's Proportionate Share of the Net OPEB (Asset) Liability	(\$1,234,610)	(\$1,258,162)	(\$1,699,403)	(\$1,386,738)	(\$1,141,237)
School District's Covered Payroll	\$9,046,093	\$8,889,029	\$8,789,579	\$8,141,079	\$7,896,657
School District's Proportionate Share of the Net OPEB (Asset) Liability as a Percentage of its Covered Payroll	-13.65%	-14.15%	-19.33%	-17.03%	-14.45%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	158.00%	168.50%	230.70%	174.70%	182.10%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017
0.06459837%	0.06090865%	0.06225844%	0.06046556%
(\$1,069,905)	(\$978,741)	\$2,429,096	\$3,233,714
\$7,642,907	\$7,211,664	\$6,643,871	\$6,379,793
-14.00%	-13.57%	36.56%	50.69%
174.70%	176.00%	47.10%	37.30%

St. Clairsville-Richland City School District
Required Supplementary Information
Schedule of School District Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Net Pension Liability					
Contractually Required Contribution	\$342,522	\$315,003	\$303,698	\$283,886	\$270,234
Contributions in Relation to the Contractually Required Contribution	<u>(342,522)</u>	<u>(315,003)</u>	<u>(303,698)</u>	<u>(283,886)</u>	<u>(270,234)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$2,446,586	\$2,250,021	\$2,169,271	\$2,027,757	\$1,930,243
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability					
Contractually Required Contribution (2)	\$42,295	\$36,301	\$38,694	\$34,536	\$34,792
Contributions in Relation to the Contractually Required Contribution	<u>(42,295)</u>	<u>(36,301)</u>	<u>(38,694)</u>	<u>(34,536)</u>	<u>(34,792)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>1.73%</u>	<u>1.61%</u>	<u>1.78%</u>	<u>1.70%</u>	<u>1.80%</u>
Total Contributions as a Percentage of Covered Payroll (1)	<u>15.73%</u>	<u>15.61%</u>	<u>15.78%</u>	<u>15.70%</u>	<u>15.80%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

(2) Includes Surcharge

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016
\$270,654	\$264,198	\$241,210	\$235,940	\$237,694
<u>(270,654)</u>	<u>(264,198)</u>	<u>(241,210)</u>	<u>(235,940)</u>	<u>(237,694)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,933,243	\$1,957,022	\$1,786,741	\$1,685,286	\$1,697,814
14.00%	13.50%	13.50%	14.00%	14.00%
\$32,073	\$41,241	\$37,929	\$26,856	\$25,397
<u>(32,073)</u>	<u>(41,241)</u>	<u>(37,929)</u>	<u>(26,856)</u>	<u>(25,397)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>1.66%</u>	<u>2.11%</u>	<u>2.12%</u>	<u>1.59%</u>	<u>1.50%</u>
<u>15.66%</u>	<u>15.61%</u>	<u>15.62%</u>	<u>15.59%</u>	<u>15.50%</u>

St. Clairsville-Richland City School District
Required Supplementary Information
Schedule of School District Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Net Pension Liability					
Contractually Required Contribution	\$1,321,573	\$1,266,453	\$1,244,464	\$1,230,541	\$1,139,751
Contributions in Relation to the Contractually Required Contribution	<u>(1,321,573)</u>	<u>(1,266,453)</u>	<u>(1,244,464)</u>	<u>(1,230,541)</u>	<u>(1,139,751)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$9,439,807	\$9,046,093	\$8,889,029	\$8,789,579	\$8,141,079
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

(1) Although the covered payroll for the net OPEB liability is the same as the net pension liability, there were no OPEB related required contributions for 2016-2025 as STRS did not allocate any employer contributions to postemployment health care. There is no required supplementary information to present related to the statutorily established employer contribution requirements for the net OPEB liability.

See accompanying notes to the required supplementary information

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$1,105,532	\$1,070,007	\$1,009,633	\$930,142	\$893,171
<u>(1,105,532)</u>	<u>(1,070,007)</u>	<u>(1,009,633)</u>	<u>(930,142)</u>	<u>(893,171)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,896,657	\$7,642,907	\$7,211,664	\$6,643,871	\$6,379,793
14.00%	14.00%	14.00%	14.00%	14.00%

St. Clairsville-Richland City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Net Pension Liability

Changes in Benefit Terms/Assumptions – SERS

Beginning in fiscal year 2018, on each anniversary of the initial retirement, the allowance of all retirees and survivors may be increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0 percent nor greater than 2.5 percent. The COLA was suspended for 2018-2020. Prior to 2018, an assumption of 3 percent was used. For 2021, the cost-of living adjustment was reduced from 2.5 percent to 2 percent. For 2023 and 2024, the cost-of-living adjustment was increased from 2 percent to 2.5 percent.

Amounts reported in 2022 incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used in prior years are presented below:

	<u>Fiscal Year 2022</u>	<u>Fiscal Years 2021-2017</u>	<u>Fiscal Year 2016 and Prior</u>
Wage Inflation	2.4 percent	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.0 percent net of system expenses	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Beginning in 2022, amounts reported use mortality rates based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent 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 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Amounts report for 2017 through 2021 use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

Changes in Assumptions - STRS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal years 2018 through 2021 and fiscal year 2017 and prior are presented below:

St. Clairsville-Richland City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

	<u>Fiscal Year 2022</u>	<u>Fiscal Years 2021-2018</u>	<u>Fiscal Year 2017 and Prior</u>
Inflation	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	Varies by Service from 2.5 percent to 8.5 percent	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	See Below	See Below	See Below
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring after August 1, 2013, or later, COLA commences on fifth anniversary of retirement date.

Investment rate of return:

Beginning with Fiscal Year 2022	7.00 percent, net of investment expenses, including inflation
Fiscal Years 2018 through 2021	7.45 percent, net of investment expenses, including inflation
Fiscal Year 2017 and prior	7.75 percent, net of investment expenses, including inflation

Beginning with fiscal year 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent 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 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Beginning with fiscal year 2018, post-retirement mortality rates for healthy retirees were based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Changes in Benefit Term – STRS Pension

For 2024 and 2025, demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015, through June 30, 2021.

For fiscal year 2023, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient's retirement date for those eligible during fiscal year 2023 and eliminated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

St. Clairsville-Richland City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Net OPEB Liability

Changes in Assumptions – SERS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by SERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2021 and prior are presented below:

	2022	2021 and Prior
Inflation	2.40 percent	3.00 percent
Future Salary Increases, including inflation		
Wage Increases	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation	7.50 percent net of investment expense, including inflation

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2025	3.93 percent
Fiscal year 2024	3.86 percent
Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation

Fiscal year 2025	4.88 percent
Fiscal year 2024	4.27 percent
Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. 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. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

St. Clairsville-Richland City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

For fiscal year 2022, the discount rate was decreased from 7.45 percent to the long-term expected rate of return of 7.00.

For fiscal year 2023, the projected salary increases were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

Changes in Benefit Terms – STRS OPEB

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent 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 2020.

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For fiscal year 2020, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For fiscal year 2021, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent 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 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

For fiscal year 2022, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2022, premium based on June 30, 2021, enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2022, from 2.055 percent to 2.1 percent per year of service. 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 CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

For fiscal year 2023, healthcare trends were updated to reflect emerging claims and recoveries experience.

For fiscal year 2024, healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024.

For fiscal year 2024, 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.

This page intentionally left blank.

ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT
BELMONT COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

FEDERAL GRANTOR/ <i>Pass-Through Grantor</i> Program Title/Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed-Through Ohio Department of Education and Workforce</i>				
Child Nutrition Cluster:				
Non-Cash Assistance:				
National School Lunch Program - Food Donation	10.555	N/A	\$0	\$48,965
Cash Assistance:				
School Breakfast Program	10.553	2025	0	69,826
National School Lunch Program	10.555	2025	0	230,613
Cash Assistance Total			0	300,439
Total Child Nutrition Cluster			0	349,404
Total U.S. Department of Agriculture			0	349,404
U.S. DEPARTMENT OF EDUCATION				
<i>Passed-Through Ohio Department of Education and Workforce:</i>				
Title I Grants to Local Educational Agencies	84.010A	2024	0	36,740
Title I Grants to Local Educational Agencies	84.010A	2025	0	234,718
Title I, Part D - Delinquent	84.010A	2025	255,332	255,332
Total Title I Grants to Local Educational Agencies			255,332	526,790
Special Education Cluster (IDEA)				
Special Education-Grants to States (IDEA, Part B)	84.027A	2024	0	87,762
Special Education-Grants to States (IDEA, Part B)	84.027A	2025	0	325,313
Special Education-Grants to States (IDEA, Part B) Subtotal			0	413,075
Special Education-Preschool Grants (IDEA Preschool)	84.173A	2025	0	7,824
Total Special Education Cluster (IDEA)			0	420,899
Supporting Effective Instruction State Grants	84.367A	2024	0	7,042
Supporting Effective Instruction State Grants	84.367A	2025	0	45,842
Total Supporting Effective Instruction State Grants			0	52,884
Title IV, Part A Student Support and Academic Enrichment Grant	84.424A	2024	0	2,939
Title IV, Part A Student Support and Academic Enrichment Grant	84.424A	2025	0	17,199
Total Title IV, Part A Student Support and Academic Enrichment Grant			0	20,138
Stronger Connections Grant	84.424F	2024	0	27,532
Education Stabilization Fund:				
American Rescue Plan Elementary and Secondary Emergency Relief (ARP ESSER III)	84.425U	2024	0	15,430
American Rescue Plan Elementary and Secondary Emergency Relief - Homeless Children and Youth (ARP Homeless Round II)	84.425W	2024	0	4,804
Total Elementary and Secondary School Emergency Relief Fund			0	20,234
Total U.S. Department of Education			255,332	1,068,477
Total Expenditures of Federal Awards			\$255,332	1,417,881

The accompanying notes are an integral part of the Schedule.

**ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT
BELMONT COUNTY**

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

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the School District under programs of the federal government for the year ended June 30, 2025. 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 the School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

The School District passes certain federal awards received from U.S. Department of Education to other governments or not-for-profit agencies (subrecipients). As Note B describes, the School District reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the School District has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE E – CHILD NUTRITION CLUSTER

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

NOTE F – FOOD DONATION PROGRAM

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

**ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT
BELMONT COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
2 CFR PART 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2025
(Continued)**

NOTE G - TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with DEW's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The School District transferred the following amounts from 2025 to 2026 programs:

<u>Program Title</u>	<u>AL Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Educational Agencies	84.010	\$5,686
Special Education - Grants to States (IDEA, Part B)	84.027	\$9,575
Supporting Effective Instruction	84.367	\$72
Student Support and Academic Enrichment Program	84.424	\$740

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

St. Clairsville-Richland City School District
Belmont County
108 Woodrow Avenue
St. Clairsville, Ohio 43950

To 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Clairsville-Richland City School District, Belmont County, Ohio (the School District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated March 26, 2026, wherein we noted the School District adopted new accounting guidance in Governmental Accounting Standards Board (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 the 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

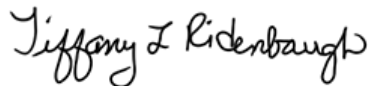
Report on Compliance and Other Matters

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State



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

March 26, 2026



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

St. Clairsville-Richland City School District
Belmont County
108 Woodrow Avenue
St. Clairsville, Ohio 43950

To the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Clairsville-Richland City School District's, Belmont County, Ohio (the School District), 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 St. Clairsville-Richland City School District's major federal programs for the year ended June 30, 2025. St. Clairsville-Richland 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, St. Clairsville-Richland 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 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

KEITH FABER
Ohio Auditor of State



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

March 26, 2026

This page intentionally left blank.

**ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT
BELMONT COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list): - AL #84.010A Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - AL #84.027 & #84.173 Special Education – Grants to Staes (IDEA, Part B) and Special Education – Preschool Grants (IDEA Preschool)	
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE KEITH FABER



ST. CLAIRSVILLE-RICHLAND CITY SCHOOL DISTRICT

BELMONT 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 3/31/2026

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