



OHIO AUDITOR OF STATE  
**KEITH FABER**





**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY  
JUNE 30, 2025**

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**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY  
JUNE 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT

Grandview Heights City School District  
Franklin County  
1587 West Third Avenue  
Columbus, Ohio 43212

To the Board of Education:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grandview Heights City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Grandview Heights City School District, Franklin County, Ohio as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof 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 District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, required budgetary comparison schedule, 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025 on our consideration of the 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 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 District's internal control over financial reporting and compliance.

KEITH FABER  
Ohio Auditor of State



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

December 10, 2025

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**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

**Financial Highlights**

Key financial highlights for 2025 are as follows:

- In total, net position increased \$6,317,382 from 2024's net position. Net position of governmental activities increased \$6,252,541, which represents a 135.71% increase from 2024's net position. Business-type activities net position increased \$64,841 from 2024.
- General revenues and transfers accounted for \$33,841,554 in revenue or 96.30% of governmental activities revenues. Program specific revenues in the form of charges for services and sales and operating accounted for \$1,299,124 or 3.69% of governmental activities revenues.
- The District had \$28,888,137 in expenses related to governmental activities; only \$1,299,124 of these expenses were offset by program specific charges for services or operating and capital grants resulting in a net cost of \$27,589,013 for the District. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$25,203,705 were able to provide for these programs.
- The District's major governmental fund is the general fund. The general fund had \$28,410,135 in revenues and \$33,177,107 in expenditures and other financing uses. During fiscal 2025, the general fund's fund balance decreased \$4,766,972 from a balance of \$20,354,615 to \$15,587,643.
- The debt service fund had \$25,225,117 in revenues and other financing sources and \$18,460,572 in expenditures. The fund balance of the debt service fund increased \$6,764,545 from \$2,858,358 to \$9,622,903.
- The building fund had \$70,215,623 in revenues and other financing sources and \$1,236,672 in expenditures. The fund balance of the building fund increased \$68,978,951 from \$0 to \$68,978,951.
- The business-type activities net position which includes the childcare and food service enterprise operations increased \$64,841 on \$1,240,598 in expenses and \$1,305,439 in revenues and transfers.

**Using this Annual Financial Report**

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

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the 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 District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, building fund, and bond retirement fund are the District's major governmental funds.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

These two statements report the District's net position and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the 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 District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the District is divided into two distinct kinds of activities:

**Governmental activities** - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant and extracurricular activities.

**Business-type activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's childcare and food service operations are reported as business-type activities.

**Reporting the District's Most Significant Funds**

***Fund Financial Statements***

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

***Governmental Funds***

Most of the 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 District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

***Proprietary Funds***

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**Reporting the District's Fiduciary Responsibilities**

The District acts in a trustee capacity as an agent for individuals. These activities are reported in a custodial fund. All of the District's fiduciary activities are reported in a separate statement of changes in fiduciary net position. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***Notes to the Basic Financial Statements***

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

***Required Supplementary Information***

The required supplementary information provides detailed information regarding the District's budgetary schedule, proportionate share of the net pension liability and net OPEB liability/asset of the retirement systems and a ten-year schedule of District's contributions to the retirement systems to fund pension and OPEB obligations.

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**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2025 and 2024.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	2025	2024	2025	2024
<b><u>Assets</u></b>				
Current and other assets	\$ 124,293,171	\$ 44,675,481	\$ 375,630	\$ 325,465
Net OPEB asset	1,559,622	1,591,192	-	-
Capital assets, net	<u>58,257,080</u>	<u>57,927,386</u>	8,281	53,007
Total assets	<u>184,109,873</u>	<u>104,194,059</u>	<u>383,911</u>	<u>378,472</u>
<b><u>Deferred outflows of resources</u></b>				
Pension	4,215,740	4,667,557	130,695	127,656
OPEB	<u>649,740</u>	<u>762,657</u>	<u>96,433</u>	<u>129,214</u>
Total deferred outflows	<u>4,865,480</u>	<u>5,430,214</u>	<u>227,128</u>	<u>256,870</u>
<b><u>Liabilities</u></b>				
Current liabilities	3,962,543	3,137,889	107,531	115,316
Long-term liabilities:				
Due within one year	4,878,308	832,338	12,758	5,565
Due in more than one year:				
Net pension liability	19,268,296	21,327,366	652,231	687,980
Net OPEB liability	695,968	1,135,056	131,682	210,568
Other amounts	<u>127,162,956</u>	<u>54,194,638</u>	<u>73,491</u>	<u>8,865</u>
Total liabilities	<u>155,968,071</u>	<u>80,627,287</u>	<u>977,693</u>	<u>1,028,294</u>
<b><u>Deferred inflows of resources</u></b>				
Property taxes and PILOTS	17,348,837	16,438,516	-	-
Lease	424,637	471,283	-	-
Pensions	<u>2,233,119</u>	<u>1,426,304</u>	<u>41,806</u>	<u>11,274</u>
OPEB	<u>2,140,924</u>	<u>2,257,731</u>	<u>235,318</u>	<u>218,298</u>
Total deferred inflows	<u>22,147,517</u>	<u>20,593,834</u>	<u>277,124</u>	<u>229,572</u>
<b><u>Net Position</u></b>				
Net investment in capital assets	8,394,686	8,173,708	8,281	53,007
Restricted	2,480,874	2,918,364	-	-
Unrestricted (deficit)	<u>(15,795)</u>	<u>(2,688,920)</u>	<u>(636,560)</u>	<u>(675,531)</u>
Total net position (deficit)	<u>\$ 10,859,765</u>	<u>\$ 8,403,152</u>	<u>\$ (628,279)</u>	<u>\$ (622,524)</u>

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

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

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

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the 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 from both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB 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.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

In accordance with GASB 68 and GASB 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a District's financial position. At June 30, 2025, the District's assets plus deferred outflows of resources exceeded liabilities and deferred inflows by \$10,215,987. Of this total, \$18,583,334 is restricted in use.

Current and other assets increased due to an increase in equity in pooled cash and cash equivalents due to the issuance of new debt.

Deferred outflows related to pension decreased primarily due to changes projected and actual earnings on investments by the State Teachers Retirement System (STRS). See Note 13 for more details.

Total assets include a net OPEB asset reported by STRS. See Note 14 for more details.

At year-end, capital assets represented 31.58% of total assets. Capital assets include land, construction in progress, buildings and improvements, furniture and equipment, vehicles, and intangible right to use assets. The net investment in capital assets at June 30, 2025, was \$8,394,686. These capital assets are used to provide services for the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

Long-term liabilities increased primarily due to the District issuing debt for a new construction project and a decrease in the net pension liability. The decrease in the net pension liability is outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions to District employees, not the District.

The net pension liability decreased \$2,059,070 or 9.65%. The change was the result of changes at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS).

A portion of the District's net position, \$2,480,874, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$652,355. Of the unrestricted net position, a deficit of \$15,795 is reported in the governmental activities and a deficit of \$636,560 is reported in the business type activities.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

The table below shows the change in net position for fiscal years 2025 and 2024. The net position as of June 30, 2024, was restated as described in Note 3.

**Change in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Revenues</b>						
Program revenues:						
Charges for services and sales	\$ 487,614	\$ 428,376	\$ 1,161,515	\$ 1,022,792	\$ 1,649,129	\$ 1,451,168
Operating grants and contributions	811,510	686,769	102,068	104,674	913,578	791,443
Capital grants and contributions	-	33,760	-	-	-	33,760
General revenues:						
Property taxes	22,309,246	18,633,452	-	-	22,309,246	18,633,452
Payments in lieu of taxes	6,056,828	5,308,189	-	-	6,056,828	5,308,189
Grants and entitlements	2,894,459	2,805,669	-	-	2,894,459	2,805,669
Investment earnings	2,404,282	755,722	1,788	12,210	2,406,070	767,932
Other	216,739	443,665	68	1,431	216,807	445,096
Total revenues	<u>35,180,678</u>	<u>29,095,602</u>	<u>1,265,439</u>	<u>1,141,107</u>	<u>36,446,117</u>	<u>30,236,709</u>
<b>Expenses</b>						
Program expenses:						
Instruction:						
Regular	11,408,706	11,867,987	-	-	11,408,706	11,867,987
Special	3,258,021	2,927,021	-	-	3,258,021	2,927,021
Support services:						
Pupil	1,963,999	1,454,222	-	-	1,963,999	1,454,222
Instructional staff	1,875,826	1,875,862	-	-	1,875,826	1,875,862
Board of education	269,652	230,408	-	-	269,652	230,408
Administration	1,957,873	1,880,519	-	-	1,957,873	1,880,519
Fiscal	810,001	884,505	-	-	810,001	884,505
Business	100,387	95,744	-	-	100,387	95,744
Operations and maintenance	2,615,598	2,673,147	-	-	2,615,598	2,673,147
Pupil transportation	32,052	35,587	-	-	32,052	35,587
Central	345,219	297,446	-	-	345,219	297,446
Operation of non-instructional services	7,255	5,093	-	-	7,255	5,093
Extracurricular activities	1,346,458	1,391,426	-	-	1,346,458	1,391,426
Interest and fiscal charges	2,897,090	1,801,281	-	-	2,897,090	1,801,281
Food service	-	-	688,424	630,941	688,424	630,941
Childcare	-	-	552,174	472,694	552,174	472,694
Total expenses	<u>28,888,137</u>	<u>27,420,248</u>	<u>1,240,598</u>	<u>1,103,635</u>	<u>30,128,735</u>	<u>28,523,883</u>
Transfers	<u>(40,000)</u>	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	<u>6,252,541</u>	<u>1,675,354</u>	<u>64,841</u>	<u>37,472</u>	<u>6,317,382</u>	<u>1,712,826</u>
Net position at beginning of year, as previously reported	<u>8,403,152</u>	<u>-</u>	<u>(622,524)</u>	<u>-</u>	<u>7,780,628</u>	<u>-</u>
Restatement - change in accounting principle	<u>(3,795,928)</u>	<u>N/A</u>	<u>(70,596)</u>	<u>N/A</u>	<u>(3,866,524)</u>	<u>N/A</u>
Net position (deficit) at beginning of year, restated	<u>4,607,224</u>	<u>6,727,798</u>	<u>(693,120)</u>	<u>(659,996)</u>	<u>3,914,104</u>	<u>9,584,929</u>
Net position (deficit) at end of year	<u>\$ 10,859,765</u>	<u>\$ 8,403,152</u>	<u>\$ (628,279)</u>	<u>\$ (622,524)</u>	<u>\$ 10,231,486</u>	<u>\$ 11,297,755</u>

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**Governmental Activities**

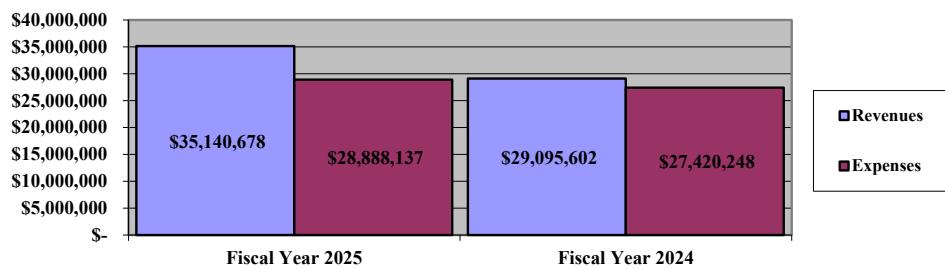
For fiscal year 2025, the net position of the District's governmental activities increased \$6,252,541 from 2024. Total governmental expenses of \$28,888,137 were partially offset by program revenues of \$1,299,124 and general revenues of \$33,841,554. Program revenues supported 4.50% of the total governmental expenses.

Revenues of the governmental activities increased \$6,085,076 from fiscal year 2024. The increase is mostly attributable to an increase in property taxes of \$3,675,794. This increase in property taxes is due to increased collections. Investment earnings increased due to increased interest rates on the District's investments.

Overall, expenses of the governmental activities increased \$1,467,889 or 5.35%. This increase is primarily due to the District issuing debt for a new building project.

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

**Governmental Activities - Revenues and Expenses**



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**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

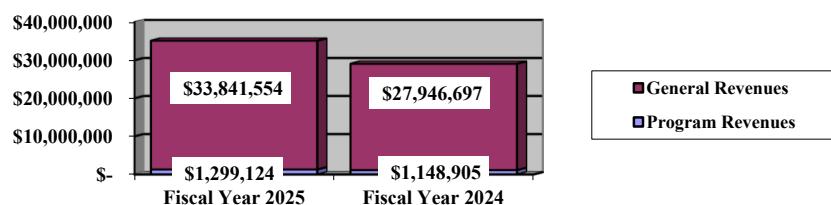
**Governmental Activities**

	Total Cost of Services 2025	Net Cost of Services 2025	Total Cost of Services 2024	Net Cost of Services 2024
<b>Program expenses:</b>				
Instruction:				
Regular	\$ 11,408,706	\$ 11,236,869	\$ 11,867,987	\$ 11,801,233
Special	3,258,021	2,773,094	2,927,021	2,381,354
Vocational	-	(694)	-	(1,196)
Support services:				
Pupil	1,963,999	1,909,722	1,454,222	1,397,573
Instructional staff	1,875,826	1,793,593	1,875,862	1,871,901
Board of education	269,652	269,652	230,408	230,408
Administration	1,957,873	1,957,873	1,880,519	1,880,519
Fiscal	810,001	810,001	884,505	884,505
Business	100,387	27,413	95,744	82,755
Operations and maintenance	2,615,598	2,550,595	2,673,147	2,550,232
Pupil transportation	32,052	28,475	35,587	32,007
Central	345,219	345,219	297,446	297,446
Operation of non-instructional services	7,255	7,255	5,093	5,093
Extracurricular activities	1,346,458	982,856	1,391,426	1,056,232
Interest and fiscal charges	<u>2,897,090</u>	<u>2,897,090</u>	<u>1,801,281</u>	<u>1,801,281</u>
<b>Total expenses</b>	<b><u>\$ 28,888,137</u></b>	<b><u>\$ 27,589,013</u></b>	<b><u>\$ 27,420,248</u></b>	<b><u>\$ 26,271,343</u></b>

The dependence upon tax revenues during fiscal year 2025 for governmental activities is apparent, as 95.52% of 2025 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 96.3%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio are the primary support for District students.

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

**Governmental Activities - General and Program Revenues**



**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**Business-type Activities**

Business-type activities include food service operations and the childcare program. These programs had revenues of \$1,263,583 and expenses of \$1,240,598 for fiscal year 2025. Management reviews these programs to develop policies to allow these services to become self-supporting.

The District's largest business-type activity is childcare operations. Childcare operations had \$689,692 in charges for services and sales and had total expenses of \$552,174. Childcare revenues were sufficient to support childcare expenses by \$137,518.

**The District's Funds**

**Governmental Funds**

The District's governmental funds (as presented on the Balance Sheet) reported a combined fund balance of \$102,206,204, which is more than last year's fund total of, \$24,192,544.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2025, and 2024.

	Fund Balance <u>June 30, 2025</u>	Fund Balance Adjusted <u>June 30, 2024</u>	Adjustment Changes in Major Funds	Fund Balance as Previously Reported <u>June 30, 2024</u>	Change
General	\$ 15,587,643	\$ 20,354,615	\$ -	\$ 20,354,615	\$ (4,766,972)
Bond retirement	9,622,903	2,858,358	2,858,358	2,858,358	6,764,545
Building	68,978,951	-	-	-	68,978,951
Other governmental	8,016,707	979,571	(2,858,358)	3,837,929	7,037,136
Total	<u>\$ 102,206,204</u>	<u>\$ 24,192,544</u>	<u>\$ -</u>	<u>\$ 27,050,902</u>	<u>\$ 78,013,660</u>

**General Fund**

The table that follows assists in illustrating the financial activities and fund balance of the general fund.

	2025 <u>Amount</u>	2024 <u>Amount</u>	Increase (Decrease)	Percentage Change
<b>Revenues</b>				
Property taxes and payment in lieu of taxes	\$ 23,220,288	\$ 21,543,755	\$ 1,676,533	7.78 %
Intergovernmental	3,069,433	3,042,815	26,618	0.87 %
Investment earnings	1,511,032	1,028,477	482,555	46.92 %
Tuition and fees	22,433	20,210	2,223	11.00 %
Other revenues	586,949	234,780	352,169	150.00 %
Total	<u>\$ 28,410,135</u>	<u>\$ 25,870,037</u>	<u>\$ 2,540,098</u>	<u>9.82 %</u>

Property taxes increased due to increased collections. Investment earnings increased due to the District's investments fair value increasing during the year. The District intends to hold investments to maturity to reduce the interest rate risk. Other revenues increased due to an increase in contributions and donations during fiscal year 2025.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

The table that follows assists in illustrating the expenditures of the general fund.

<b><u>Expenditures</u></b>	<b>2025 Amount</b>	<b>2024 Amount</b>	<b>Increase (Decrease)</b>	<b>Percentage Change</b>
Instruction	\$ 14,219,794	\$ 13,636,772	\$ 583,022	4.28 %
Support services	9,575,828	8,984,131	591,697	6.59 %
Operation of non-instructional services	5,934	-	5,934	100 %
Extracurricular activities	<u>1,076,145</u>	<u>1,048,962</u>	<u>27,183</u>	<u>2.59 %</u>
Total	<u><u>\$ 24,877,701</u></u>	<u><u>\$ 23,669,865</u></u>	<u><u>\$ 1,207,836</u></u>	<u><u>5.10 %</u></u>

In total, expenditures increased 5.10% from 2024. Instruction expenditures increased 4.28% mainly due to increases in special instruction for expenses due to inflation. Support services increased due to increased administration and pupil expenditures.

***Bond Retirement Fund***

The bond retirement fund had \$25,225,117 in revenues and other financing sources and \$18,460,572 in expenditures. During fiscal 2025, the bond retirement fund's fund balance increased \$6,764,545 from a balance of \$2,858,358 to \$9,622,903 due to the District issuance of new bonds.

***Building Fund***

The building fund had \$70,215,623 in revenues and other financing sources and \$1,236,672 in expenditures. During fiscal 2025, the building fund's fund balance increased \$68,978,951 from a balance of \$0 to \$68,978,951 due to continuing the District's new building and renovation project.

***Nonmajor Governmental Funds***

The nonmajor governmental funds had \$8,456,746 in revenues and other financing sources and \$1,419,610 in expenditures. During fiscal 2025, the nonmajor governmental fund's fund balance increased \$7,200,500 from \$979,571 to \$8,016,707.

***Enterprise Funds***

The District's enterprise funds reported operating revenues of \$1,161,583, operating expenses of \$1,200,484, and nonoperating revenues of \$63,742. Net position of the enterprise funds increased \$49,342 from a deficit of \$693,120 to a deficit of \$643,778. The Childcare Fund (a nonmajor enterprise fund) reported both an operating income and a positive change in net position of \$137,586. The Food Service Fund (a nonmajor enterprise fund) reported an operating loss of \$212,199 and a negative change in net position of \$72,745.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**General Fund Budgeting Highlights**

The 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 the General Fund, the original and final budgeted revenue and other financing sources were \$25,051,807 and \$26,290,780, respectively. Actual revenue and other financing sources were \$27,579,152. The difference between the final budgeted revenues and the actual revenues and other financing sources was \$1,288,372.

Total actual expenditures and other financing uses on the budget basis (cash outlays plus encumbrances) were \$34,158,419. This amount was \$111,118 less than final budgeted amounts of \$34,269,537. The original budgeted amounts of \$25,688,155 increased \$8,581,382 to arrive at the final budgeted amounts. Overall, the fund balance on the budget basis decreased \$6,579,267 from the prior year.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal 2025, the District had \$58,265,361 invested in land, construction in progress, buildings and improvements, furniture and equipment, vehicles, and intangible right to use. Of this total, \$58,257,080 was reported in governmental activities and \$8,281 was reported in business-type activities. The following table shows fiscal 2025 balances compared to 2024:

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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 137,400	\$ 137,400	\$ -	\$ -	\$ 137,400	\$ 137,400
Construction in progress	705,134	1,194,275	-	-	705,134	1,194,275
Buildings and improvements	56,301,305	55,339,743	-	-	56,301,305	55,339,743
Furniture and equipment	1,043,060	1,191,339	8,281	53,007	1,051,341	1,244,346
Vehicles	65,966	56,934	-	-	65,966	56,934
Intangible right to use:						
SBITAs	4,215	7,695	-	-	4,215	7,695
Total	\$ 58,257,080	\$ 57,927,386	\$ 8,281	\$ 53,007	\$ 58,265,361	\$ 57,980,393

Overall capital assets, net of accumulated depreciation/amortization, increased \$284,968 from fiscal year 2024 to fiscal year 2025. Capital outlays of \$1,979,038 were more than depreciation/amortization expense of \$1,499,549 and disposals of \$114,293 during the year. See Note 7 to the basic financial statements for more detail on the District's capital assets.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

***Debt Administration***

At June 30, 2025, the District has \$118,160,000 in long-term debt outstanding. Of this total, \$4,110,000 is due within one year and \$114,050,000 is due within more than one year. The following table summarizes outstanding long-term debt:

<b>Outstanding Debt, at Year End</b>		
	<b>Governmental Activities 2025</b>	<b>Governmental Activities 2024</b>
<b>Long Term Debt:</b>		
General obligation bonds	<u>\$ 118,160,000</u>	<u>\$ 49,230,000</u>

Payments of principal and interest on the general obligation bonds are made from the Debt Service Fund. See Note 8 to the basic financial statements for more detail on the District's long-term obligations.

**Current Financial Related Activities**

*Grandview Yard*

Nationwide Realty Investors purchased the former Big Bear property and many other adjacent properties with the intention of constructing a major redevelopment project known as Grandview Yard. In July of 2009, the District entered into a compensation agreement with the City of Grandview Heights, which included two components of funding to be paid from this project to the District from the City. First, the District was guaranteed a "hold-harmless" amount, representing compensation for lost tax revenue as a result of decreased property values from demolition done during the initial phase of the project. Secondly, the District received an amount equal to 11% of all real property taxes that would have been received by all political subdivisions and taxing districts on the exempt value of all the parcels of the property used for non-residential purposes and between 15% and 60% for residential units depending on the number of units and year of assessment.

In February 2019, the District entered into an amended compensation agreement with the City of Grandview Heights whereby the original compensation formula negotiated in 2009 was replaced with the District now receiving a flat 45% of all payments in lieu of taxes (PILOT's) collected on the Grandview Yard property. The Board of Education also passed a resolution earmarking increased funds from the renegotiated agreement to offset bond millage to be collected on the November 2018 bond levy.

During fiscal year 2025, the District received a total of \$6,056,828 for payment in lieu of taxes from the City of Grandview Heights. Of this total, \$857,077 has been set aside to be used for debt service on the district's 2019 bond issue.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information contact: Beth Collier, Treasurer, at Grandview Heights City School District, 1587 West 3<sup>rd</sup> Avenue, Columbus, Ohio 43212.

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**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**STATEMENT OF NET POSITION  
JUNE 30, 2025**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments	\$ 95,910,652	\$ 343,134	\$ 96,253,786
Receivables:			
Property taxes	21,287,976	-	21,287,976
Payment in lieu of taxes	6,024,396	-	6,024,396
Accounts	43,343	18,586	61,929
Accrued interest	511,274	-	511,274
Intergovernmental	19,170	-	19,170
Lease	484,873	-	484,873
Prepayments	11,487	399	11,886
Materials and supplies inventory	-	3,704	3,704
Inventory held for resale	-	9,807	9,807
Net OPEB asset	1,559,622	-	1,559,622
Capital assets:			
Nondepreciable capital assets	842,534	-	842,534
Depreciable capital assets, net	57,414,546	8,281	57,422,827
Capital assets, net	<u>58,257,080</u>	<u>8,281</u>	<u>58,265,361</u>
Total assets	<u>184,109,873</u>	<u>383,911</u>	<u>184,493,784</u>
<b>Deferred outflows of resources:</b>			
Pension	4,215,740	130,695	4,346,435
OPEB	649,740	96,433	746,173
Total deferred outflows of resources	<u>4,865,480</u>	<u>227,128</u>	<u>5,092,608</u>
<b>Liabilities:</b>			
Accounts payable	182,946	4,797	187,743
Contracts payable	792,460	-	792,460
Accrued wages and benefits payable	2,165,447	55,925	2,221,372
Intergovernmental payable	62,641	632	63,273
Pension and postemployment benefits payable	221,529	14,232	235,761
Accrued interest payable	537,520	-	537,520
Unearned revenue	-	16,446	16,446
Long-term liabilities:			
Due within one year	4,878,308	12,758	4,891,066
Due in more than one year:			
Net pension liability	19,268,296	652,231	19,920,527
Net OPEB liability	695,968	131,682	827,650
Other amounts due in more than one year	<u>127,162,956</u>	<u>73,491</u>	<u>127,236,447</u>
Total liabilities	<u>155,968,071</u>	<u>962,194</u>	<u>156,930,265</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year	11,324,441	-	11,324,441
Payment in lieu of taxes levied for the next fiscal year	6,024,396	-	6,024,396
Lease	424,637	-	424,637
Pension	2,233,119	41,806	2,274,925
OPEB	2,140,924	235,318	2,376,242
Total deferred inflows of resources	<u>22,147,517</u>	<u>277,124</u>	<u>22,424,641</u>
<b>Net position:</b>			
Net investment in capital assets	8,394,686	8,281	8,402,967
Restricted for:			
Capital projects	127,628	-	127,628
OPEB	1,559,622	-	1,559,622
Debt service	793,624	-	793,624
Unrestricted (deficit)	<u>(15,795)</u>	<u>(636,560)</u>	<u>(652,355)</u>
Total net position (deficit)	<u>\$ 10,859,765</u>	<u>\$ (628,279)</u>	<u>\$ 10,231,486</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	
<b>Governmental activities:</b>				
Instruction:				
Regular	\$ 11,408,706	\$ 46,572	\$ 125,265	
Special	3,258,021	7,535	477,392	
Vocational	-	-	694	
Support services:				
Pupil	1,963,999	-	54,277	
Instructional staff	1,875,826	20,199	62,034	
Board of education	269,652	-	-	
Administration	1,957,873	-	-	
Fiscal	810,001	-	-	
Business	100,387	17,925	55,049	
Operations and maintenance	2,615,598	61,148	3,855	
Pupil transportation	32,052	-	3,577	
Central	345,219	-	-	
Operation of non-instructional services:				
Other non-instructional services	7,255	-	-	
Extracurricular activities	1,346,458	334,235	29,367	
Interest and fiscal charges	2,897,090	-	-	
Total governmental activities	<u>28,888,137</u>	<u>487,614</u>	<u>811,510</u>	
<b>Business-type activities:</b>				
Food service	688,424	471,823	102,068	
Child care	552,174	689,692	-	
Total business-type activities	<u>1,240,598</u>	<u>1,161,515</u>	<u>102,068</u>	
Totals	<u><u>\$ 30,128,735</u></u>	<u><u>\$ 1,649,129</u></u>	<u><u>\$ 913,578</u></u>	

**General revenues:**

Property taxes levied for:	
General purposes	
Debt service	
Capital outlay	
Payments in lieu of taxes	
Grants and entitlements not restricted to specific programs	
Investment earnings	
Increase in fair value of investments	
Miscellaneous	
Total general revenues	
Transfers	
Total general revenues and transfers	
Change in net position	
<b>Net position (deficit) at beginning of year, as previously reported</b>	
<b>Restatement - change in accounting principle</b>	
<b>Net position (deficit) at beginning of year, restated</b>	
<b>Net position (deficit) at end of year</b>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (11,236,869)	\$ -	\$ (11,236,869)
(2,773,094)	-	(2,773,094)
694	-	694
(1,909,722)	-	(1,909,722)
(1,793,593)	-	(1,793,593)
(269,652)	-	(269,652)
(1,957,873)	-	(1,957,873)
(810,001)	-	(810,001)
(27,413)	-	(27,413)
(2,550,595)	-	(2,550,595)
(28,475)	-	(28,475)
(345,219)	-	(345,219)
(7,255)	-	(7,255)
(982,856)	-	(982,856)
<u>(2,897,090)</u>	<u>-</u>	<u>(2,897,090)</u>
<u>(27,589,013)</u>	<u>-</u>	<u>(27,589,013)</u>
-	(114,533)	(114,533)
-	137,518	137,518
-	22,985	22,985
<u>(27,589,013)</u>	<u>22,985</u>	<u>(27,566,028)</u>
17,195,781	-	17,195,781
4,563,756	-	4,563,756
549,709	-	549,709
6,056,828	-	6,056,828
2,894,459	-	2,894,459
1,744,628	1,788	1,746,416
659,654	-	659,654
216,739	68	216,807
<u>33,881,554</u>	<u>1,856</u>	<u>33,883,410</u>
<u>(40,000)</u>	<u>40,000</u>	<u>-</u>
<u>33,841,554</u>	<u>41,856</u>	<u>33,883,410</u>
6,252,541	64,841	6,317,382
8,403,152	(622,524)	7,780,628
<u>(3,795,928)</u>	<u>(70,596)</u>	<u>(3,866,524)</u>
<u>4,607,224</u>	<u>(693,120)</u>	<u>3,914,104</u>
<u>\$ 10,859,765</u>	<u>\$ (628,279)</u>	<u>\$ 10,231,486</u>

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	<b>General</b>	<b>Bond Retirement</b>	<b>Building</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>					
Equity in pooled cash and investments	\$ 10,440,742	\$ 8,053,659	\$ 69,568,812	\$ 7,847,439	\$ 95,910,652
<b>Receivables:</b>					
Property taxes	17,169,781	3,584,916	-	533,279	21,287,976
Payment in lieu of taxes	6,024,396	-	-	-	6,024,396
Accounts	42,970	-	-	373	43,343
Accrued interest	121,113	-	390,161	-	511,274
Interfund loans	18,314	-	-	-	18,314
Intergovernmental	856	-	-	18,314	19,170
Lease	484,873	-	-	-	484,873
Prepayments	11,486	-	-	1	11,487
Total assets	<u>\$ 34,314,531</u>	<u>\$ 11,638,575</u>	<u>\$ 69,958,973</u>	<u>\$ 8,399,406</u>	<u>\$ 124,311,485</u>
<b>Liabilities:</b>					
Accounts payable	\$ 119,502	\$ -	\$ -	\$ 63,444	\$ 182,946
Contracts payable	-	-	792,460	-	792,460
Accrued wages and benefits payable	2,164,427	-	-	1,020	2,165,447
Intergovernmental payable	62,626	-	-	15	62,641
Pension and postemployment benefits payable	221,467	-	-	62	221,529
Interfund loans payable	-	-	-	18,314	18,314
Total liabilities	<u>2,568,022</u>	<u>-</u>	<u>792,460</u>	<u>82,855</u>	<u>3,443,337</u>
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year	9,133,709	1,907,047	-	283,685	11,324,441
Payment in lieu of taxes levied for the next fiscal year	6,024,396	-	-	-	6,024,396
Delinquent property tax revenue not available	520,256	108,625	-	16,159	645,040
Accrued interest not available	55,868	-	187,562	-	243,430
Lease	424,637	-	-	-	424,637
Total deferred inflows of resources	<u>16,158,866</u>	<u>2,015,672</u>	<u>187,562</u>	<u>299,844</u>	<u>18,661,944</u>
<b>Fund balances:</b>					
Nonspendable:					
Prepays	11,486	-	-	1	11,487
Restricted:					
Debt service	-	9,622,903	-	-	9,622,903
Capital improvements	-	-	68,978,951	601,122	69,580,073
Committed:					
Capital improvements	-	-	-	7,200,000	7,200,000
Extracurricular	-	-	-	215,584	215,584
Assigned:					
Student instruction	35,409	-	-	-	35,409
Student and staff support	480,003	-	-	-	480,003
Extracurricular activities	14,500	-	-	-	14,500
Subsequent year's appropriations	588,094	-	-	-	588,094
Unassigned	<u>14,458,151</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,458,151</u>
Total fund balances	<u>15,587,643</u>	<u>9,622,903</u>	<u>68,978,951</u>	<u>8,016,707</u>	<u>102,206,204</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 34,314,531</u>	<u>\$ 11,638,575</u>	<u>\$ 69,958,973</u>	<u>\$ 8,399,406</u>	<u>\$ 124,311,485</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

<b>Total governmental fund balances</b>	\$ 102,206,204
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	58,257,080
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.	
Property taxes receivable	\$ 645,040
Accrued interest receivable	<u>243,430</u>
Total	888,470
Unamortized amounts on refundings are not recognized in the funds.	(8,778,922)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(537,520)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.	
Deferred outflows - pension	4,215,740
Deferred inflows - pension	(2,233,119)
Net pension liability	(19,268,296)
Deferred outflows - OPEB	649,740
Deferred inflows - OPEB	(2,140,924)
Net OPEB asset	1,559,622
Net OPEB liability	<u>(695,968)</u>
Total	(17,913,205)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
General obligation bonds	(118,160,000)
Compensated absences	<u>(5,102,342)</u>
Total	<u>(123,262,342)</u>
<b>Net position of governmental activities</b>	<u><u>\$ 10,859,765</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>General</b>	<b>(Formerly Non-Major) Bond Retirement</b>	<b>(Formerly Non-Major) Building</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>					
Property taxes	\$ 17,163,460	\$ 4,506,682	\$ -	\$ 549,475	\$ 22,219,617
Intergovernmental	3,069,433	17,284	-	375,527	3,462,244
Investment earnings	1,054,253	-	487,748	-	1,542,001
Tuition and fees	22,433	-	-	-	22,433
Extracurricular	-	-	-	326,081	326,081
Rental income	61,148	-	-	-	61,148
Contributions and donations	263,549	-	-	4,326	267,875
Payment in lieu of taxes	6,056,828	-	-	-	6,056,828
Miscellaneous	262,252	7,452	-	837	270,541
Increase in fair value of investments	456,779	-	202,875	-	659,654
Total revenues	<u>28,410,135</u>	<u>4,531,418</u>	<u>690,623</u>	<u>1,256,246</u>	<u>34,888,422</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	11,198,992	-	-	32,345	11,231,337
Special	3,020,802	-	-	283,187	3,303,989
Support services:					
Pupil	1,964,689	-	-	-	1,964,689
Instructional staff	2,014,192	-	-	-	2,014,192
Board of education	270,273	-	-	-	270,273
Administration	2,007,488	-	-	-	2,007,488
Fiscal	741,622	53,818	9,718	8,341	813,499
Business	99,123	-	-	-	99,123
Operations and maintenance	2,119,571	-	-	124,724	2,244,295
Pupil transportation	28,475	-	-	3,577	32,052
Central	330,395	-	-	-	330,395
Operation of non-instructional services:					
Other non-instructional services	5,934	-	-	31,000	36,934
Extracurricular activities	1,076,145	-	-	677,341	1,753,486
Facilities acquisition and construction	-	-	1,226,954	259,095	1,486,049
Debt service:					
Principal retirement	-	15,595,000	-	-	15,595,000
Interest and fiscal charges	-	2,229,681	-	-	2,229,681
Bond and note issuance costs	-	582,073	-	-	582,073
Total expenditures	<u>24,877,701</u>	<u>18,460,572</u>	<u>1,236,672</u>	<u>1,419,610</u>	<u>45,994,555</u>
Excess of revenues over (under) expenditures	<u>3,532,434</u>	<u>(13,929,154)</u>	<u>(546,049)</u>	<u>(163,364)</u>	<u>(11,106,133)</u>
<b>Other financing sources (uses):</b>					
Premium on bonds and notes	-	4,634,793	-	-	4,634,793
Sale of bonds	-	15,000,000	54,525,000	-	69,525,000
Sale of notes	-	-	15,000,000	-	15,000,000
Transfers in	-	1,058,906	-	7,200,500	8,259,406
Transfers (out)	(8,299,406)	-	-	-	(8,299,406)
Total other financing sources (uses)	<u>(8,299,406)</u>	<u>20,693,699</u>	<u>69,525,000</u>	<u>7,200,500</u>	<u>89,119,793</u>
Net change in fund balances	(4,766,972)	6,764,545	68,978,951	7,037,136	78,013,660
<b>Fund balances as previously reported</b>	<b>20,354,615</b>	<b>-</b>	<b>-</b>	<b>3,837,929</b>	<b>24,192,544</b>
<i>Adjustment - changes from nonmajor fund to major fund</i>	<i>-</i>	<i>2,858,358</i>	<i>-</i>	<i>(2,858,358)</i>	<i>-</i>
<b>Fund balances at beginning of year, as adjusted</b>	<b>20,354,615</b>	<b>2,858,358</b>	<b>-</b>	<b>979,571</b>	<b>24,192,544</b>
<b>Fund balances at end of year</b>	<b><u>\$ 15,587,643</u></b>	<b><u>\$ 9,622,903</u></b>	<b><u>\$ 68,978,951</u></b>	<b><u>\$ 8,016,707</u></b>	<b><u>\$ 102,206,204</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

<b>Net change in fund balances - total governmental funds</b>	\$ 78,013,660
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures.	
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital asset additions	\$ 1,979,038
Current year depreciation	<u>(1,494,937)</u>
Total	484,101
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.	(154,407)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes	89,629
Earnings on investments	<u>202,627</u>
Total	292,256
Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.	15,595,000
Issuance of bonds and notes are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.	(84,525,000)
Premiums on bonds are amortized over the life of the issuance in the statement of activities	(4,634,793)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:	
(Increase) in accrued interest payable	(376,555)
Amortization of bond premiums	<u>291,219</u>
Total	(85,336)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	
Pension	2,074,883
OPEB	<u>49,438</u>
Total	2,124,321
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.	
Pension	(1,274,445)
OPEB	<u>361,970</u>
Total	(912,475)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	55,214
<b>Change in net position of governmental activities</b>	<u>\$ 6,252,541</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2025**

	<b>Nonmajor Enterprise Funds</b>
<b>Assets:</b>	
Current assets:	
Equity in pooled cash and investments	\$ 343,134
Receivables:	
Accounts	18,586
Prepayments	399
Materials and supplies inventory	3,704
Inventory held for resale	9,807
Total current assets	<u>375,630</u>
Noncurrent assets:	
Depreciable capital assets, net	8,281
Total noncurrent assets	<u>8,281</u>
Total assets	<u>383,911</u>
<b>Deferred outflows of resources:</b>	
Pension	130,695
OPEB	96,433
Total deferred outflows of resources	<u>227,128</u>
<b>Liabilities:</b>	
Accounts payable	4,797
Accrued wages and benefits	55,925
Compensated absences	12,758
Pension and postemployment benefits payable	14,232
Intergovernmental payable	632
Unearned revenue	16,446
Total current liabilities	<u>104,790</u>
Long-term liabilities:	
Compensated absences payable	73,491
Net pension liability	652,231
Net OPEB liability	131,682
Total long-term liabilities	<u>857,404</u>
Total liabilities	<u>962,194</u>
<b>Deferred inflows of resources:</b>	
Pension	41,806
OPEB	235,318
Total deferred inflows of resources	<u>277,124</u>
<b>Net position:</b>	
Investment in capital assets	8,281
Unrestricted (deficit)	(636,560)
Total net position (deficit)	<u>\$ (628,279)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Nonmajor Enterprise Funds</b>
<b>Operating revenues:</b>	
Charges for services	\$ 1,161,515
Other	68
Total operating revenues	<u>1,161,583</u>
<b>Operating expenses:</b>	
Personal services	764,935
Purchased services	17,893
Materials and supplies	357,007
Other	56,037
Depreciation	4,612
Total operating expenses	<u>1,200,484</u>
Operating (loss)	<u>(38,901)</u>
<b>Nonoperating revenues:</b>	
Grants and subsidies	66,441
Interest revenue	1,788
Federal donated commodities	35,627
Loss on disposal of capital assets	(40,114)
Total nonoperating revenues	<u>63,742</u>
Gain before transfers	24,841
Transfer in	<u>40,000</u>
Change in net position	64,841
<b>Net position at beginning of year as previously reported</b>	<u>(622,524)</u>
Restated- change in accounting principle	(70,596)
<b>Net position (deficit) at beginning of year, restated</b>	<u>(693,120)</u>
<b>Net position (deficit) at end of year</b>	<u><u>\$ (628,279)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>	
Cash received from charges for services	\$ 1,121,375
Cash received from other operations	68
Cash payments for personal services	(794,742)
Cash payments for purchased services	(17,894)
Cash payments for materials and supplies	(324,833)
Cash payments for other expenses	<u>(56,037)</u>
Net cash (used in) operating activities	<u>(72,063)</u>
<b>Cash flows from noncapital financing activities:</b>	
Cash received from grants and subsidies	66,441
Cash received from transfers in	<u>40,000</u>
Net cash provided by noncapital financing activities	<u>106,441</u>
<b>Cash flows from investing activities:</b>	
Interest received	<u>1,788</u>
Net cash provided by investing activities	<u>1,788</u>
Net increase in cash and cash cash equivalents	36,166
<b>Cash and cash equivalents at beginning of year</b>	306,968
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 343,134</u></u>
<b>Reconciliation of operating (loss) to net cash (used in) operating activities:</b>	
Operating (loss)	\$ (38,901)
Adjustments:	
Depreciation	4,612
Federal donated commodities	35,627
Changes in assets and liabilities:	
Decrease in materials and supplies inventory	884
(Increase) in inventory held for resale	(136)
(Increase) in accounts receivable	(14,781)
Decrease in prepayments	34
(Increase) in deferred outflows - pension	(3,039)
Decrease in deferred outflows - OPEB	32,781
(Decrease) in accounts payable	(4,202)
Increase in accrued wages and benefits	3,186
Increase in due to other governments	45
Increase in compensated absences payable	1,223
Increase in pension and postemployment benefits payable	3,046
(Decrease) in unearned revenue	(25,359)
(Decrease) in net pension liability	(35,749)
(Decrease) in net OPEB liability	(78,886)
Increase in deferred inflows - pension	30,532
Increase in deferred inflows - OPEB	<u>17,020</u>
Net cash (used in) operating activities	<u><u>\$ (72,063)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Custodial</u>
<b>Additions:</b>	
Extracurricular collections for OHSAA	<u>16,377</u>
<b>Deductions:</b>	
Extracurricular distributions to OHSAA	<u>16,377</u>
Change in net position	-
<b>Net position at beginning of year</b>	<u>-</u>
<b>Net position at end of year</b>	<u>\$ -</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 1 - DESCRIPTION OF THE DISTRICT**

The Grandview Heights City School District (the “District”) was organized on May 14, 1906. A special election on May 1, 1906, was held whereby L.D. Bonebrake, C.H. Walcutt, J.E. Hussey, S.M. Orwig and D.S. Field were selected as the first members of the Board of Education. The District continues to be governed by a five-member Board of Education (the Board) elected by the citizens of Grandview Heights and Marble Cliff.

The District is an independent political subdivision of the State of Ohio. It was created by the state to carry out the constitutional requirement to provide a system of public education. The constitution is silent as to how the public schools in Ohio are to be classified or organized, thus leaving it to legislative determination. The District is organized as a city school district according to Ohio Revised Code Section 3311.02. The District consists of the territory within the corporate limits of the City of Grandview Heights and the Village of Marble Cliff encompassing approximately 1.6 square miles.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the 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 District’s significant accounting policies are described below.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

The following organizations are described due to their relationship to the District.

*JOINTLY GOVERNED ORGANIZATION*

Metropolitan Educational Technology Association (META) Solutions

The District is a participant in META Solutions which is a computer consortium that resulted from the mergers between Tri-Rivers Educational Computer Association (TRECA), Metropolitan Educational Council (MEC), Metropolitan Dayton Educational Cooperative Association (MDECA), Southeastern Ohio Valley Voluntary Education Cooperative (SEOVEC), and South Central Ohio Computer Association (SCOCA). META Solutions develops, implements and supports the technology and instructional needs of schools in a cost-effective manner. META Solutions provides instructional, core, technology and purchasing services for its member districts. The Board of Directors consists of the Superintendents from eleven of the member districts. During fiscal year 2025, the District paid META Solutions \$59,757 for services. Financial information can be obtained from Ashley Widby, who serves as Chief Financial Officer, 100 Executive Drive, Marion, Ohio 43302.

*JOINT VENTURE WITHOUT EQUITY INTEREST*

The Rockbridge Academy (the “Academy”)

The Academy is a joint venture consisting of a consortium of five school districts. The Academy was formed for the purpose of providing alternative education services to at risk students. The initial capital of the Academy was raised through the receipt of a per pupil charge dependent upon the services utilized.

The Governing Board of the Academy consists of five members appointed by each member school. The District does not have an equity interest that is explicit and measurable in the Academy; however, the District does have an ongoing financial obligation to support the Academy in meeting its financial obligations. The District did not submit any payments to the Rockbridge Academy during fiscal year 2025. Further detailed financial information may be obtained by contacting the Educational Service Center of Central Ohio at (614) 445-3750.

**B. Fund Accounting**

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary 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 plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

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

Bond Retirement Fund - This fund is used to account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Building Fund - The building fund accounts for all financial resources that are restricted to expenditures for the District's building construction and renovation project.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

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

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

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

***PROPRIETARY FUNDS***

Proprietary funds focus on the determination of operating income, changes in net position, financial position, and cash flows. The District's only proprietary funds are enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The nonmajor enterprise funds of the District are used to account for food service operations and the District's child care program.

***FIDUCIARY FUNDS***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The District did not have any pension trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial fund accounts for monies collected on behalf of and disbursed to the Ohio High School Athletic Association (OHSAA).

**C. Basis of Presentation**

***Government-Wide Financial Statements*** - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities and for the business-type activities of the District. 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 District, with certain limitations. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

*Fund Financial Statements* - During the year, the District segregates transactions related to certain 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 District at this more detailed level. The focus of governmental and enterprise 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.

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

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

**E. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for proprietary and fiduciary funds.

*Revenues Exchange and Non-exchange Transactions* - Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes, payment in lieu of taxes, tuition, grants, and student fees.

*Deferred Outflows of Resources and Deferred Inflows of Resources* - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 13 and 14 for deferred outflows of resources related to net pension liability and net OPEB liability/asset, respectively.

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

See Notes 13 and 14 for deferred inflows of resources related to net pension liability and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

*Expenditures/Expenses* - On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for principal and interest on general long-term debt, which is recorded when due.

**F. Cash and Investments**

To improve cash management, cash received by the District is pooled. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During fiscal year 2025, investments were limited to Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, Federal National Mortgage Association (FNMA) securities, U.S. treasury notes, negotiable certificates of deposit (negotiable CD's), commercial paper, U.S. Government money market funds, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, investments are reported at fair value which is based on quoted market prices.

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

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

The District invested in 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 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.

There were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours notice in advance of all deposits and withdrawals exceeding \$100 million is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2025 amounted to \$1,054,253 which includes \$453,437 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at fiscal year-end is provided in Note 4.

**G. Inventory**

Within the basic financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories of the general fund and food service enterprise fund (a nonmajor enterprise fund) were not significant at year-end. Donated commodities are presented at their entitlement value.

**H. Prepayments**

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. On the fund financial statements, reported prepayments are equally offset by a nonspendable fund balance.

**I. Capital Assets and Depreciation/Amortization**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of \$2,500. The District does not possess any infrastructure. 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. Interest incurred during the construction of proprietary fund capital assets is also capitalized. In addition, assets having an estimated useful life of more than one year that are below the capitalization threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings and Improvements	5 - 50 Years	N/A
Furniture and Equipment	3 - 20 Years	3 - 20 Years
Vehicles	10 Years	N/A
Intangible right to use	5 Years	N/A

The District is reporting intangible right to use assets related to Subscription Based Information Technology Arrangements (SBITAs). The intangible assets are being amortized in a systematic and rational manner of the shorter of the subscription term or the useful life of the underlying asset.

**J. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds.

Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**K. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as interfund loan receivables and payables. These interfund balances between governmental funds are eliminated for reporting on the statement of net position.

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

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

**L. Compensated Absences**

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

*Vacation*

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

*Sick Leave*

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

*Personal Time*

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

**M. Accrued Liabilities and Long-term Debt**

All accrued liabilities and long-term debt are reported in the government-wide financial statements as well as the proprietary fund financial statements. For governmental fund financial statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims for judgments and, compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**N. Net Position**

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

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

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

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

**O. Fund Balance**

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

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

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

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

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

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

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

**P. Budget Stabilization Arrangement**

The District has established a budget stabilization reserve. Additions to the budget stabilization reserve can only be made by formal resolution of the Board of Education. Expenditures out of the budget stabilization reserve can only be made to offset future budget deficits. At June 30, 2025, the balance in the budget stabilization reserve was \$1,259,817. This amount is included in unassigned fund balance of the general fund and in unrestricted net position on the statement of net position.

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

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

**Q. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are charges for services for the childcare fund and the food service fund (nonmajor enterprise funds). Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting these definitions are classified as nonoperating.

**R. Budgetary Data**

All funds, other than custodial funds, are legally required to be budgeted and appropriated. 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 budgetary control has been established by the Board of Education at the fund level. The treasurer has been given the authority to allocate Board appropriations to the function and object levels within each fund.

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

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated resources. 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 in the budgetary schedules reflect the final appropriations passed by the Board during the year.

**S. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. Encumbrances outstanding at year end are reported as assigned in the General Fund only, since they do not constitute expenditures or liabilities.

At the close of each year, the unencumbered balance of each appropriation reverts to the respective funds from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not re-appropriated.

**T. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB asset/liability, 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.

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

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

**U. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2025.

**V. Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

**W. Fair Value Measurements**

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

**X. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding**

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 8.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

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

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

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

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

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

**B. Change within the Financial Reporting Entity**

For fiscal year 2025, the District's debt service and building fund presentation was adjusted from nonmajor to major due to now meeting the qualitative threshold for a major fund. This change is separately displayed in the financial statements.

**C. Restatement of Net Position**

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

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

3. Written repurchase agreements in the securities listed above provided that 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 that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in 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, the State Treasury Asset Reserve of Ohio (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.

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

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

**A. Cash on Hand**

At June 30, 2025, the District had \$250 in undeposited cash on hand which is included on the financial statements as part of "equity in pooled cash and investments".

**B. Deposits with Financial Institutions**

At June 30, 2025, the carrying amount of all District deposits was \$278,118 and the bank balance of all District deposits was \$457,531. Of the bank balance, \$250,000 was covered by the FDIC and \$207,531 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized.

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

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

**C. Investments**

As of June 30, 2025, the District had the following investment and maturity:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Amortized cost:</i>						
STAR Ohio	\$ 8,703,402	\$ 8,703,402	\$ -	\$ -	\$ -	\$ -
<i>Fair value:</i>						
Negotiable CDs	2,106,958	-	-	173,434	238,955	1,694,569
FFCB	10,709,454	198,318	121,836	125,681	192,848	2,939,515
FHLB	2,625,892	173,344	174,325	677,894	173,782	1,426,547
FNMA	2,720,471	147,457	-	199,177	48,501	101,230
U.S. Treasury notes	62,430,172	1,123,828	6,298,809	4,122,609	1,123,531	5,669,206
commercial paper	4,291,518	4,169,950	121,568	-	-	-
U.S. Government money market mutual funds	<u>2,387,551</u>	<u>2,387,551</u>	-	-	-	-
<b>Totals</b>	<b>\$ 95,975,418</b>	<b>\$ 16,903,850</b>	<b>\$ 6,716,538</b>	<b>\$ 5,298,795</b>	<b>\$ 1,777,617</b>	<b>\$ 11,831,067</b>

The weighted average maturity of investments is 1.44 years.

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

*Interest Rate Risk:* Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

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

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Credit Risk:* The federal agency securities and U.S. Treasury notes were rated AA+ and Aa1 by Standard & Poor's and Moody's Investor Services, respectively. STAR Ohio and U.S. Government money market mutual funds carry a rating of AAA by Standard & Poor's. The investments in commercial paper were rated A-1 and A-1+ by Standard & Poor's and P-1 by Moody's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The negotiable CDs are fully covered by the FDIC. The District's investment policy does not specifically address credit risk beyond requiring the District to only invest in securities authorized by State statute.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities, and U.S. Treasury securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

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

<u>Measurement/ Investment type</u>	<u>Measurement</u>	
	<u>Value</u>	<u>% of Total</u>
<i>Amortized cost:</i>		
STAR Ohio	\$ 8,703,402	9.07
<i>Fair value:</i>		
Negotiable CDs	2,106,958	2.20
FFCB	10,709,454	11.16
FHLB	2,625,892	2.74
FNMA	2,720,471	2.83
U.S. Treasury notes	62,430,172	65.04
Commercial paper	4,291,518	4.47
U.S. Government money market mutual funds	<u>2,387,551</u>	<u>2.49</u>
<b>Total</b>	<b><u>\$ 95,975,418</u></b>	<b><u>100.00</u></b>

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**D. Reconciliation of Cash and Investments to the Statement of Net Position**

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

Cash and investments per note

Carrying amount of deposits	\$ 278,118
Investments	95,975,418
Cash on hand	<u>250</u>
Total	<u><u>\$ 96,253,786</u></u>

Cash and investments per statement of net position

Governmental activities	\$ 95,910,652
Business-type activities	<u>343,134</u>
Total	<u><u>\$ 96,253,786</u></u>

**NOTE 5 - RECEIVABLES**

**A. Receivables**

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

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

	Governmental activities	Business-type activities
Property taxes	\$ 21,287,976	\$ -
Intergovernmental	19,170	-
Accrued interest	511,274	-
Accounts	43,343	18,586
Leases	484,873	-
Payments in lieu of taxes	<u>6,024,396</u>	<u>-</u>
Total	<u><u>\$ 28,371,032</u></u>	<u><u>\$ 18,586</u></u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year except for leases, which will be collected over the term of the lease.

**B. Leases Receivable**

The District is reporting leases receivable of \$484,873 in the general fund. For fiscal year 2025, the District recognized lease revenue of \$46,646, which is reported in rental income, and interest revenue of \$20,038.

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

**NOTE 5 - RECEIVABLES - (Continued)**

The District has entered into lease agreements for cell towers and building space rental with multiple companies at varying years and terms as follows:

Company	Lease	Years	Lease	Payment
	Commencement		End	
	Date		Date	
American Tower	2006	35	2041	Monthly
Cingular	2003	30	2033	Monthly
Sprint	2005	25	2030	Monthly

Lease payments will be paid into the general fund. The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Principal	Interest	Total
2026	\$ 38,865	\$ 18,703	\$ 57,568
2027	42,096	17,075	59,171
2028	44,550	15,351	59,901
2029	49,237	13,480	62,717
2030	51,807	11,464	63,271
2031 - 2035	131,767	36,298	168,065
2036 - 2040	105,089	15,620	120,709
2041	21,462	395	21,857
Total	<u>\$ 484,873</u>	<u>\$ 128,386</u>	<u>\$ 613,259</u>

**NOTE 6 - PROPERTY TAXES**

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

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

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

**NOTE 6 - PROPERTY TAXES - (Continued)**

The District receives property taxes from Franklin County. The County Auditor periodically advances to the 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 as an advance at June 30, 2025 and 2024 were:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Major governmental funds:		
General fund	\$ 7,515,816	\$ 6,535,256
Nonmajor governmental funds:		
Debt service fund	1,569,244	690,455
Permanent improvement fund	233,435	213,301

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

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

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

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

	2024 Second Half Collections		2025 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 512,176,690	95.71	\$ 514,125,200	95.25
Public utility personal	<u>22,949,480</u>	<u>4.29</u>	<u>25,617,750</u>	<u>4.75</u>
<b>Total</b>	<b><u>\$ 535,126,170</u></b>	<b><u>100.00</u></b>	<b><u>\$ 539,742,950</u></b>	<b><u>100.00</u></b>
Tax rate per \$1,000 of assessed valuation	\$ 111.40		\$ 118.10	

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

**NOTE 7 - CAPITAL ASSETS**

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

	<u>Balance</u> <u>06/30/24</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>06/30/25</u>
<b>Governmental activities:</b>				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 137,400	\$ -	\$ -	\$ 137,400
Construction in progress	1,194,275	1,618,628	(2,107,769)	705,134
Total capital assets, not being depreciated/amortized	<u>1,331,675</u>	<u>1,618,628</u>	<u>(2,107,769)</u>	<u>842,534</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings and improvements	58,656,439	2,107,769	-	60,764,208
Furniture and equipment	3,539,275	360,410	(1,639,720)	2,259,965
Vehicles	158,771	-	-	158,771
Intangible right to use:				
SBITAs	11,175	-	-	11,175
Total capital assets, being depreciated/amortized	<u>62,365,660</u>	<u>2,468,179</u>	<u>(1,639,720)</u>	<u>63,194,119</u>
<i>Less: accumulated depreciation/amortization:</i>				
Buildings and improvements	(3,316,696)	(1,146,207)	-	(4,462,903)
Furniture and equipment	(2,347,936)	(328,527)	1,459,558	(1,216,905)
Vehicles	(101,837)	(16,723)	25,755	(92,805)
Intangible right to use:				
SBITAs	(3,480)	(3,480)	-	(6,960)
Total accumulated depreciation/amortization	<u>(5,769,949)</u>	<u>(1,494,937)</u>	<u>1,485,313</u>	<u>(5,779,573)</u>
Governmental activities capital assets, net	<u>\$ 57,927,386</u>	<u>\$ 2,591,870</u>	<u>\$ (2,262,176)</u>	<u>\$ 58,257,080</u>

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

**Instruction:**

Regular	\$ 1,156,637
Special	299

**Support services:**

Instructional staff	208,005
Administration	150
Fiscal	360
Business	1,264
Operations and maintenance	61,347
Operation of non-instructional	1,576
Extracurricular activities	<u>65,299</u>
Total depreciation/amortization expense	<u>\$ 1,494,937</u>

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

**NOTE 7 - CAPITAL ASSETS - (Continued)**

	<u>Balance</u> <u>06/30/24</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>06/30/25</u>
<b>Business-type activities:</b>				
<i>Capital assets, being depreciated:</i>				
Furniture and equipment	\$ 127,523	\$ -	\$ (103,595)	\$ 23,928
Total capital assets, being depreciated	<u>127,523</u>	<u>-</u>	<u>(103,595)</u>	<u>23,928</u>
<i>Less: accumulated depreciation:</i>				
Furniture and equipment	(74,516)	(4,612)	63,481	(15,647)
Total accumulated depreciation	<u>(74,516)</u>	<u>(4,612)</u>	<u>63,481</u>	<u>(15,647)</u>
Business-type activities capital assets, net	<u>\$ 53,007</u>	<u>\$ (4,612)</u>	<u>\$ (40,114)</u>	<u>\$ 8,281</u>

Depreciation expense was charged to the business-type activities as follows:

<b><u>Business-type activities:</u></b>	
Child care	\$ 3,494
Food service	<u>1,118</u>
Total business-type activities	<u>\$ 4,612</u>

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 8 - LONG-TERM OBLIGATIONS**

Due to the implementation of GASB Statement No. 101 (see Note 3 for detail), the District has restated compensated absences as of June 30, 2024, which is reflected in the schedule below. The changes in the District's long-term obligations during the year consist of the following.

	Restated Balance 06/30/24	Increase	Decrease	Balance 06/30/25	Amount Due in One Year
<b><u>Governmental activities:</u></b>					
General obligation bonds:					
Series 2025 school facilities					
Current interest	\$ -	\$ 69,525,000	\$ -	\$ 69,525,000	\$ 3,340,000
Series 2019 construction bonds:					
Current interest	49,230,000	-	(595,000)	48,635,000	770,000
Total general obligation bonds	49,230,000	69,525,000	(595,000)	118,160,000	4,110,000
BAN series 2024 school facilities					
Current interest	-	15,000,000	(15,000,000)	-	-
Total bond anticipation notes	-	15,000,000	(15,000,000)	-	-
Net pension liability:					
STRS	17,618,847	-	(1,797,727)	15,821,120	-
SERS	3,708,519	-	(261,343)	3,447,176	-
Total net pension liability	21,327,366	-	(2,059,070)	19,268,296	-
Net OPEB liability:					
SERS	1,135,056	-	(439,088)	695,968	-
Compensated absences*	5,157,556	-	(55,214)	5,102,342	768,308
Total governmental activities	76,849,978	\$ 84,525,000	\$ (18,148,372)	143,226,606	\$ 4,878,308
Add: unamortized premium	4,435,348			8,778,922	
Total on statement of net position	<u>\$ 81,285,326</u>			<u>\$ 152,005,528</u>	
<b><u>Business-type activities:</u></b>					
Compensated absences*	\$ 85,026	\$ 1,223	\$ -	\$ 86,249	\$ 12,758
Net pension liability:					
SERS	687,980	-	(35,749)	652,231	-
Net OPEB liability:					
SERS	210,568	-	(78,886)	131,682	-
Total business-type activities	<u>\$ 983,574</u>	<u>\$ 1,223</u>	<u>\$ (114,635)</u>	<u>\$ 870,162</u>	<u>\$ 12,758</u>

\*The change in compensated absences is reported as a net change

All general obligation bonds will be paid from property taxes in the debt service fund.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)**

See Note 13 for further information on the District's net pension liability. The District pays obligations related to employee compensation from the funds benefiting from their service.

See Note 14 for further information on the District's net OPEB liability. The District pays obligations related to employee compensation from the funds benefiting from their service.

*Series 2019 Construction Bonds*

Voted general obligation bonds in the amount of \$55,250,000 were issued in accordance with Chapter 133 of the ORC on June 25, 2019 with an interest rate ranging from 2.00% to 5.00%. The purpose of the bond issue was to complete the construction of a new 4-8 building, renovate the current high school, and to provide security upgrades to the District's facilities. The bonds are scheduled to be repaid over a 38-year period with the final payment due on December 1, 2055. A dedicated tax estimated by the Franklin County Auditor to average 7.51 mills is being collected to repay this debt.

The Series 2019 Construction Bonds were issued at a premium of \$5,130,178. The bond premium was deposited into the debt service fund (a nonmajor governmental fund) to be used for future debt service payments. The bond premium was not used for the acquisition of capital assets; therefore, the unamortized premium liability at June 30, 2025 of \$4,296,382 is not included in the net position component "net investment in capital assets".

*Series 2025 School Facilities Bonds*

Voted general obligation bonds in the amount of \$69,525,000 were issued in accordance with Chapter 133 of the ORC on April 1<sup>st</sup>, 2025 with an interest rate ranging from 2.00% to 5.00%. The purpose of the bond issue was to complete the construction of new athletic facilities for the District. The bonds are scheduled to be repaid over a 36-year period with the final payment due on December 1, 2060. A dedicated tax estimated by the Franklin County Auditor to average 7.51 mills is being collected to repay this debt.

The Series 2025 School facilities Bonds were issued at a premium of \$4,576,143. The bond premium was deposited into the debt service fund (a nonmajor governmental fund) to be used for future debt service payments. The bond premium was not used for the acquisition of capital assets; therefore, the unamortized premium liability at June 30, 2025 of \$4,452,184 is not included in the net position component "net investment in capital assets".

Mandatory Sinking Fund Redemption - The Series 2025 term bonds maturing on December 1, 2050 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2047	\$ 1,955,000
2048	2,050,000
2049	2,155,000
2050	2,260,000

The remaining principal amount of the Series 2025 term bonds (\$2,375,000) will mature on December 1, 2050.

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

**NOTE 8 – LONG-TERM OBLIGATIONS – (Continued)**

The Series 2025 term bonds maturing on December 1, 2054 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2052	\$ 2,495,000
2053	2,620,000
2054	2,750,000

The remaining principal amount of the Series 2025 term bonds (\$2,885,000) will mature on December 1, 2054.

The Series 2025 term bonds maturing on December 1, 2058 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2057	\$ 3,160,000
2058	3,485,000

The remaining principal amount of the Series 2025 term bonds (\$3,485,000) will mature on December 1, 2058.

*Series 2024 School Facilities Bond Anticipation Notes*

On December 19, 2024, the District issued \$15,000,000 in Series 2024 School Facilities Notes for the purpose of the note issue was for the anticipation of the general obligation bond for the construction of new athletic facilities for the District. The notes were issued at a premium of \$58,650. The notes matured June 25, 2025. The notes were retired through the issuance of the Series 2025 School Facilities Bonds. The notes were refinanced prior to June 30, 2025.

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

**NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)**

*Future Debt Service Requirements*

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

Fiscal Year Ending,	<u>General Obligation Bonds</u>			<u>Total</u>
	<u>Principal</u>	<u>Interest</u>		
2026	\$ 4,110,000	\$ 5,783,526		\$ 9,893,526
2027	1,835,000	5,082,944		6,917,944
2028	1,455,000	5,012,695		6,467,695
2029	1,530,000	4,938,070		6,468,070
2030	1,610,000	4,859,570		6,469,570
2031-2035	10,485,000	22,846,123		33,331,123
2035-2040	13,720,000	20,079,495		33,799,495
2041-2045	17,300,000	16,608,970		33,908,970
2046-2050	19,560,000	12,675,945		32,235,945
2051-2055	23,705,000	7,979,673		31,684,673
2056-2060	19,035,000	2,917,089		21,952,089
2061	<u>3,815,000</u>	<u>83,441</u>		<u>3,898,441</u>
Total	<u>\$ 118,160,000</u>	<u>\$ 108,867,541</u>		<u>\$ 227,027,541</u>

*Legal Debt Margin*

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2025, are a voted debt margin of \$9,564,769 (including available funds of \$9,622,903) and an unvoted debt margin of \$539,743.

The Ohio Revised Code further provides that when a Board of Education declares a resolution that the student population is not adequately served by existing facilities, and that insufficient capacity exists within the 9% limit to finance additional facilities, the State Department of Education may declare that district a "special needs" district. This permits the incurrence of additional debt based upon projected 5-year growth of the school district's assessed valuation. The Grandview Heights City School District was determined to be a "special needs" district by the State Superintendent.

**NOTE 9 - SET-ASIDES**

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

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

**NOTE 9 - SET-ASIDES- (Continued)**

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2024	\$ -
Current year set-aside requirement	278,824
Current year offsets	<u>(278,824)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2026	<u>\$ -</u>
Set-aside balance June 30, 2025	<u>\$ -</u>

**NOTE 10 - INTERFUND TRANSACTIONS**

**A.** Interfund loans receivable/payable consisted of the following at June 30, 2025, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$ 18,314</u>

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

**B.** Interfund transfers for the fiscal year ended June 30, 2025, consisted of the following, as reported on the fund statements:

	<u>Amount</u>
<u>Transfers from General Fund to:</u>	
Bond retirement fund	\$ 1,058,906
Nonmajor governmental funds	7,200,500
Nonmajor enterprise funds	<u>40,000</u>
Total	<u>\$ 8,299,406</u>

Interfund transfers represent the use of unrestricted revenues collected in the general fund that are used to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfers were made from the general fund to the bond retirement fund for future debt payments.

Interfund transfers between governmental funds are eliminated for reporting on the statement of activities. Interfund transfers between governmental funds and enterprise funds are reported on the statement of activities. All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

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

**NOTE 11 - RISK MANAGEMENT**

**A. Property, Liability, and Fleet**

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2025, the District contracted with Wright Specialty Insurance Company for property insurance, liability insurance, vehicle insurance, and excess liability insurance. Coverage provided by this insurance company is as follows:

<u>Type of Coverage</u>	<u>Liability Limit</u>
Building and contents – replacement costs	\$108,854,621
General Liability – each occurrence	1,000,000
General Liability – aggregate	2,000,000
Vehicle Liability	1,000,000
Excess Liability – each occurrence	1,000,000

The District also contracted with the Hanover Insurance Group, member of Citizens Insurance Company of America, and Wright Specialty/Caitlin Insurance Company to provide property and fleet insurance requiring deductibles ranging from \$250 to \$2,500 depending on the type of property.

Insurance settlements have not exceeded insurance coverage for each of the past three fiscal years and there has been no significant reduction in coverage from the prior year.

**B. Workers' Compensation**

The District participates in the State Workers' Compensation system that provides coverage for accidents and injuries to employees while on the job. The premium is based on a rate per \$100 of salaries and is calculated as part of a state-wide group rating plan for workers' compensation insurance coverage sponsored by the Ohio School Board's Association.

**C. Employee Health Insurance**

The District offers employee group health and dental insurance from Anthem, and life insurance from the Standard Life Insurance Company with a portion of health insurance premiums being paid by employees. Insurance settlements have not exceeded insurance coverage for each of the past three fiscal years as there has been no significant reductions in coverage from prior year.

**NOTE 12 - CONTINGENCIES**

**A. Grants**

The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2025, if applicable, cannot be determined at this time.

**B. Litigation**

The District is not party to legal proceedings to legal proceedings that, in the opinion of management, would have a material impact on the financial statements.

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

**NOTE 12 – CONTINGENCIES- (Continued)**

**C. Foundation Funding**

Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional districts must comply with minimum instructional hours rather than a minimum number of school days each year. The funding formula that the Ohio Department of Education and Workforce (ODEW) is legislatively required to follow continues to adjust as enrollment information is updated by the District, which can extend beyond the fiscal year-end. As of the date of this report, ODEW has finalized the state foundation funding and as a result, the District received two adjustments totaling -\$857. This amount has not been included in the financial statements.

**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 represents a liability or asset to employees for pensions and OPEB, respectively.

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

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

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

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

The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

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

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

***Plan Description - School Employees Retirement System (SERS)***

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

Age and service requirements for retirement are as follows:

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

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

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

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

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

The District's contractually required contribution to SERS was \$489,047 for fiscal year 2025. Of this amount, \$31,011 is reported as pension and postemployment benefits payable.

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Plan Description - State Teachers Retirement System (STRS)***

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

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

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

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

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

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

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

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

The District's contractually required contribution to STRS was \$1,663,645 for fiscal year 2025. Of this amount, \$145,958 is reported as pension and postemployment benefits payable.

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

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.079567200%	0.081815170%	
Proportion of the net pension liability current measurement date	<u>0.080135500%</u>	<u>0.082223450%</u>	
Change in proportionate share	<u>0.000568300%</u>	<u>0.000408280%</u>	
Proportionate share of the net pension liability	\$ 4,099,407	\$ 15,821,120	\$ 19,920,527
Pension expense	\$ 384,749	\$ 959,250	\$ 1,343,999

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

	SERS	STRS	Total
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 156,513	\$ 996,318	\$ 1,152,831
Changes of assumptions	36,672	729,125	765,797
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	37,352	237,763	275,115
Contributions subsequent to the measurement date	<u>489,047</u>	<u>1,663,645</u>	<u>2,152,692</u>
Total deferred outflows of resources	<u><u>\$ 719,584</u></u>	<u><u>\$ 3,626,851</u></u>	<u><u>\$ 4,346,435</u></u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 8,661	\$ 8,661
Net difference between projected and actual earnings on pension plan investments	256,415	1,360,291	1,616,706
Changes of assumptions	-	548,821	548,821
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>23,756</u>	<u>76,981</u>	<u>100,737</u>
Total deferred inflows of resources	<u><u>\$ 280,171</u></u>	<u><u>\$ 1,994,754</u></u>	<u><u>\$ 2,274,925</u></u>

\$2,152,692 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026.

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

	SERS	STRS	Total
<b>Fiscal Year Ending June 30:</b>			
2026	\$ (199,869)	\$ (862,406)	\$ (1,062,275)
2027	256,103	1,499,607	1,755,710
2028	(30,469)	(354,119)	(384,588)
2029	<u>(75,399)</u>	<u>(314,630)</u>	<u>(390,029)</u>
<b>Total</b>	<b><u><u>\$ (49,634)</u></u></b>	<b><u><u>\$ (31,548)</u></u></b>	<b><u><u>\$ (81,182)</u></u></b>

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

***Actuarial Assumptions - SERS***

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

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

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

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

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

In 2024, mortality rates were based on the following:

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

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

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

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

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

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

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

As of June 30, 2024:

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><u>100.00 %</u></u>	

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

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

	Current		
	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 6,271,528	\$ 4,099,407	\$ 2,270,602

***Actuarial Assumptions - STRS***

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

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

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

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

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

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

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

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

\* Final target weights reflected at October 1, 2022.

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

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

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

	Current		
	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 25,522,240	\$ 15,821,120	\$ 7,615,640

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

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

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability/Asset***

See Note 13 for a description of the net OPEB liability (asset).

***Plan Description - School Employees Retirement System (SERS)***

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://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. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2025, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2025, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2025, the District's surcharge obligation was \$58,792.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$58,792 for fiscal year 2025. Of this amount, \$58,792 is reported as pension and postemployment benefits payable.

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Plan Description - State Teachers Retirement System (STRS)***

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

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

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

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

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.081679400%	0.081815170%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.081262000%</u>	<u>0.082223450%</u>	
Change in proportionate share	<u>-0.000417400%</u>	<u>0.000408280%</u>	
Proportionate share of the net OPEB liability	\$ 827,650	\$ -	\$ 827,650
Proportionate share of the net OPEB asset	\$ -	\$ (1,559,622)	\$ (1,559,622)
OPEB expense	\$ (47,934)	\$ (333,769)	\$ (381,703)

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

	SERS	STRS	Total
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 67,800	\$ 67,800
Net difference between projected and actual earnings on OPEB plan investments	4,039	-	4,039
Changes of assumptions	355,226	191,967	547,193
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	66,895	1,454	68,349
Contributions subsequent to the measurement date	<u>58,792</u>	<u>-</u>	<u>58,792</u>
<b>Total deferred outflows of resources</b>	<b><u>\$ 484,952</u></b>	<b><u>\$ 261,221</u></b>	<b><u>\$ 746,173</u></b>
 <b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 892,423	\$ 168,077	\$ 1,060,500
Net difference between projected and actual earnings on OPEB plan investments	-	66,963	66,963
Changes of assumptions	380,194	703,377	1,083,571
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>155,422</u>	<u>9,786</u>	<u>165,208</u>
<b>Total deferred inflows of resources</b>	<b><u>\$ 1,428,039</u></b>	<b><u>\$ 948,203</u></b>	<b><u>\$ 2,376,242</u></b>

\$58,792 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2026.

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

Fiscal Year Ending June 30:	SERS	STRS	Total
2026	\$ (242,671)	\$ (239,820)	\$ (482,491)
2027	(176,755)	(106,134)	(282,889)
2028	(138,571)	(135,676)	(274,247)
2029	(117,881)	(126,439)	(244,320)
2030	(116,666)	(102,641)	(219,307)
Thereafter	<u>(209,335)</u>	<u>23,728</u>	<u>(185,607)</u>
<b>Total</b>	<b><u>\$ (1,001,879)</u></b>	<b><u>\$ (686,982)</u></b>	<b><u>\$ (1,688,861)</u></b>

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Actuarial Assumptions - SERS***

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

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

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

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

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

In 2024, the following mortality assumptions were used:

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

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

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

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

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

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

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

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

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

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

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

As of June 30, 2024:

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

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

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

	Current		
	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 1,103,641	\$ 827,650	\$ 608,337
Current			
	1% Decrease	Trend Rate	1% Increase
	\$ 559,460	\$ 827,650	\$ 1,180,163

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Actuarial Assumptions - STRS***

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

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

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

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

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

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

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

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

\* Final target weights reflected at October 1, 2022.

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

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

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

	Current		
	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 1,268,076	\$ 1,559,622	\$ 1,813,330
	Current		
	1% Decrease	Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 1,830,468	\$ 1,559,622	\$ 1,233,894

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 15 - OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year-End</u>
<u>Encumbrances</u>	
General	\$ 348,138
Building	4,418,291
Non-Major Governmental Funds	<u>204,434</u>
Total	<u><u>\$ 4,970,863</u></u>

**NOTE 16 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS**

Other governments entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area ("CRA") program with the taxing districts of the District. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. Within the taxing districts of the District, the City of Grandview Heights has entered into such agreements. Under these agreements, the District's property taxes were reduced by \$4,277,105.

## REQUIRED SUPPLEMENTARY INFORMATION

**GRANDVIEW HEIGHTS CSD  
FRANKLIN COUNTY, OHIO**

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

	<b>Budgeted Amounts</b>		<b>Actual Amounts Budgetary Basis</b>	<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>		
Budgetary revenues and other financing sources	\$ 25,051,807	\$ 26,290,780	\$ 27,579,152	\$ 1,288,372
Budgetary expenditures and other financing uses	<u>25,688,155</u>	<u>34,269,537</u>	<u>34,158,419</u>	<u>(111,118)</u>
Net change in fund balance	(636,348)	(7,978,757)	(6,579,267)	1,399,490
<b>Budgetary fund balance at beginning of year</b>	15,922,364	15,922,364	15,922,364	-
<b>Prior year encumbrances appropriated</b>	286,329	286,329	286,329	-
<b>Budgetary fund balance at end of year</b>	<u>\$ 15,572,345</u>	<u>\$ 8,229,936</u>	<u>\$ 9,629,426</u>	<u>\$ 1,399,490</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

<b>Fiscal Year (1)</b>	<b>District's Proportion of the Net Pension Liability</b>	<b>District's Proportionate Share of the Net Pension Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2025	0.08013550%	\$ 4,099,407	\$ 3,416,464	119.99%	78.52%
2024	0.07956720%	4,396,499	3,191,250	137.77%	76.06%
2023	0.08021730%	4,338,776	3,049,479	142.28%	75.82%
2022	0.07933590%	2,927,266	2,733,471	107.09%	82.86%
2021	0.07853500%	5,194,470	2,760,350	188.18%	68.55%
2020	0.077443560%	4,633,107	2,672,452	173.37%	70.85%
2019	0.07839430%	4,489,786	2,529,874	177.47%	71.36%
2018	0.07277760%	4,348,300	2,424,150	179.37%	69.50%
2017	0.07344680%	5,375,629	2,286,529	235.10%	62.98%
2016	0.07543990%	4,304,674	2,271,138	189.54%	69.16%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2025	\$ 489,047	\$ (489,047)	\$ -	\$ 3,493,193	14.00%
2024	478,305	(478,305)	-	3,416,464	14.00%
2023	446,775	(446,775)	-	3,191,250	14.00%
2022	426,927	(426,927)	-	3,049,479	14.00%
2021	382,686	(382,686)	-	2,733,471	14.00%
2020	386,449	(386,449)	-	2,760,350	14.00%
2019	360,781	(360,781)	-	2,672,452	13.50%
2018	341,533	(341,533)	-	2,529,874	13.50%
2017	339,381	(339,381)	-	2,424,150	14.00%
2016	320,114	(320,114)	-	2,286,529	14.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

<b>Fiscal Year (1)</b>	<b>District's Proportion of the Net Pension Liability</b>	<b>District's Proportionate Share of the Net Pension Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2025	0.08222345%	\$ 15,821,120	\$ 11,400,764	138.77%	82.55%
2024	0.08181517%	17,618,847	11,054,386	159.38%	80.02%
2023	0.08011717%	17,810,149	10,531,029	169.12%	78.88%
2022	0.08129103%	10,393,788	10,239,136	101.51%	87.78%
2021	0.07957502%	19,254,323	9,324,893	206.48%	75.48%
2020	0.07879218%	17,424,417	9,260,286	188.16%	77.40%
2019	0.07914243%	17,401,643	8,883,671	195.88%	77.31%
2018	0.07835398%	18,613,156	8,985,436	207.15%	75.30%
2017	0.07992165%	26,752,185	8,529,836	313.63%	66.80%
2016	0.08051284%	22,251,394	8,400,164	264.89%	72.10%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2025	\$ 1,663,645	\$ (1,663,645)	\$ -	\$ 11,883,179	14.00%
2024	1,596,107	(1,596,107)	-	11,400,764	14.00%
2023	1,547,614	(1,547,614)	-	11,054,386	14.00%
2022	1,474,344	(1,474,344)	-	10,531,029	14.00%
2021	1,433,479	(1,433,479)	-	10,239,136	14.00%
2020	1,305,485	(1,305,485)	-	9,324,893	14.00%
2019	1,296,440	(1,296,440)	-	9,260,286	14.00%
2018	1,243,714	(1,243,714)	-	8,883,671	14.00%
2017	1,257,961	(1,257,961)	-	8,985,436	14.00%
2016	1,194,177	(1,194,177)	-	8,529,836	14.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION**

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

**LAST NINE AND TEN FISCAL YEARS**

<b>Fiscal Year (1) (2)</b>	<b>District's Proportion of the Net OPEB Liability</b>	<b>District's Proportionate Share of the Net OPEB Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>
2025	0.08126200%	\$ 827,650	\$ 3,416,464	24.23%	44.50%
2024	0.08167940%	1,345,624	3,191,250	42.17%	30.02%
2023	0.08223180%	1,154,543	3,049,479	37.86%	30.34%
2022	0.08192350%	1,550,469	2,733,471	56.72%	24.08%
2021	0.08178180%	1,777,386	2,760,350	64.39%	18.17%
2020	0.07941580%	1,997,141	2,672,452	74.73%	15.57%
2019	0.07929660%	2,199,903	2,529,874	86.96%	13.57%
2018	0.07401690%	1,986,419	2,424,150	81.94%	12.46%
2017	0.07447867%	2,122,918	2,286,529	92.84%	11.49%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2025	\$ 58,792	\$ (58,792)	\$ -	\$ 3,493,193	2.00%
2024	56,142	(56,142)	-	3,416,464	1.64%
2023	58,654	(58,654)	-	3,191,250	1.84%
2022	54,770	(54,770)	-	3,049,479	1.80%
2021	53,173	(53,173)	-	2,733,471	1.95%
2020	53,892	(53,892)	-	2,760,350	1.95%
2019	62,114	(62,114)	-	2,672,452	2.32%
2018	54,447	(54,447)	-	2,529,874	2.15%
2017	41,102	(41,102)	-	2,424,150	1.70%
2016	37,894	(37,894)	-	2,286,529	1.66%

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

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

Additional years will be displayed as they become available.

**SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION**

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

LAST NINE AND TEN FISCAL YEARS

<b>Fiscal Year (1) (2)</b>	<b>District's Proportion of the Net OPEB Liability/(Asset)</b>	<b>District's Proportionate Share of the Net OPEB Liability/(Asset)</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)</b>
2025	0.08222345%	\$ (1,559,622)	\$ 11,400,764	13.68%	158.01%
2024	0.08181517%	(1,591,192)	11,054,386	14.39%	168.52%
2023	0.08011717%	(2,074,500)	10,531,029	19.70%	230.73%
2022	0.08129103%	(1,713,955)	10,239,136	16.74%	174.73%
2021	0.07957502%	(1,398,530)	9,324,893	15.00%	182.10%
2020	0.07879218%	(1,304,987)	9,260,286	14.09%	174.74%
2019	0.07914243%	(1,271,738)	8,883,671	-14.32%	176.00%
2018	0.07835398%	3,057,083	8,985,436	34.02%	47.10%
2017	0.79921650%	4,274,231	8,529,836	50.11%	37.30%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2025	\$ -	\$ -	\$ -	\$ 11,883,179	0.00%
2024	-	-	-	11,400,764	0.00%
2023	-	-	-	11,054,386	0.00%
2022	-	-	-	10,531,029	0.00%
2021	-	-	-	10,239,136	0.00%
2020	-	-	-	9,324,893	0.00%
2019	-	-	-	9,260,286	0.00%
2018	-	-	-	8,883,671	0.00%
2017	-	-	-	8,985,436	0.00%
2016	-	-	-	8,529,836	0.00%

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

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

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

**NOTE 1 - BUDGETARY PROCESS**

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

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

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

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

**Net Change in Fund Balance**

	<u>General fund</u>
Budget basis	\$ (6,579,267)
Net adjustment for revenue accruals	513,632
Net adjustment for expenditure accruals	815,540
Funds budgeted elsewhere	197,227
Adjustments for encumbrances	<u>285,896</u>
GAAP Basis	<u>\$ (4,766,972)</u>

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

**PENSION**

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

*Change in benefit terms:*

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

*Change in assumptions:*

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

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

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

*Change in benefit terms:*

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

*Changes in assumptions:*

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

**OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

***SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO***

*Change in benefit terms:*

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

*Change in assumptions:*

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

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

**STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO**

*Change in benefit terms:*

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

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

*Change in assumptions:*

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

**GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

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

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

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

Grandview Heights City School District  
Franklin County  
1587 West Third Avenue  
Columbus, Ohio 43212

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*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grandview Heights City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 10, 2025.

***Report on Internal Control Over Financial Reporting***

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

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

Grandview Heights City School District  
Franklin County  
Independent Auditor's Report On Internal Control Over  
Financial Reporting And On Compliance And Other Matters  
Required By *Government Auditing Standards*  
Page 2

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

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER  
Ohio Auditor of State



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

December 10, 2025

# OHIO AUDITOR OF STATE KEITH FABER



GRANDVIEW HEIGHTS CITY SCHOOL DISTRICT

FRANKLIN 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 12/23/2025

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](http://www.ohioauditor.gov)