

OBERLIN COLLEGE
ANNUAL FINANCIAL INFORMATION REPORT
For the Fiscal Year Ended June 30, 2025



This Annual Financial Information Report (“Annual Report”) pertains to the operations of the Oberlin College, an Ohio nonprofit corporation (the “College”), for the fiscal year ended June 30, 2025. This Annual Report is being filed to satisfy the College’s obligations to provide annual financial information and operating data in compliance with the continuing disclosure requirements of Rule 15c2-12 (the “Rule”) promulgated under the Securities Exchange Act of 1934. Specifically, the information in this Annual Report is provided in accordance with the continuing disclosure undertakings entered into by the College pursuant to the Rule in connection with the following outstanding obligations of the College:

\$39,765,000 State of Ohio (Ohio Higher Educational Facilities Commission) Higher Educational Facility Revenue Bonds (Oberlin College 2017 Project), dated April 12, 2017. Final maturity is October 1, 2047.

\$82,065,000 Taxable Refunding Bonds, Series 2019, dated August 1, 2019. Final maturity is August 1, 2049.

\$110,975,000 Taxable Refunding Bonds, Series 2021, dated July 28, 2021. Final maturity is October 1, 2051.

\$108,820,000 State of Ohio (Ohio Higher Educational Facilities Commission) Higher Educational Facility Revenue Bonds (Oberlin College 2023 Project), Series 2023A (Green Bonds – Climate Bond Certified), dated May 9, 2023. Final maturity is October 1, 2053.

\$27,570,000 State of Ohio (Ohio Higher Educational Facility Commission) Higher Educational Facility Revenue Refunding Bonds (Oberlin College 2023 Project), Series 2023B, dated July 5, 2023. Final maturity is October 1, 2038.

The College’s applicable base CUSIP numbers are 67756D and 674241 (**Corporate CUSIP**).

Questions regarding information contained in this Annual Report should be directed to: Julieanne R. Melvin, Interim Vice President for Finance and Administration, Oberlin College, Cox Administration Building, 70 N. Professor Street, Oberlin, Ohio 44074; telephone: (440) 775-8460.

This Annual Report is dated February 5, 2026.

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REGARDING THIS ANNUAL FINANCIAL INFORMATION REPORT

This Annual Financial Information Report (“Annual Report”) does not constitute an offering of any security of the Oberlin College, (the “College”).

The information herein is subject to change without notice. The delivery of this Annual Report shall not create any implication that there has been no change in the affairs of the College since the date hereof.

While the College or its representatives have reviewed this Annual Report for accuracy, no other federal, state, municipal, or other governmental entity, agency, or instrumentality (including, but not limited to, the Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”)) has passed, or been asked to pass, upon the accuracy or adequacy of this Annual Report and the information contained herein.

This Annual Report, which includes all appendices and exhibits hereto, has been prepared by the College pursuant to the continuing disclosure undertakings entered into by the College in compliance with Rule 15c2-12 (the “Rule”), promulgated under the Securities Exchange Act of 1934, for certain outstanding obligations of the College. Certain information contained herein may not be required to be supplied under the Rule, and the College is under no obligation to continue to provide any such additional information in the future.

This Annual Report is not sufficient to base an investment decision on but should be read in conjunction with the original offering document and all subsequent updates. Other relevant information may exist for the fiscal year to which this Annual Report pertains, and matters may have occurred or become known during or since that period that an investor would consider to be important when making an investment decision. The inclusion of certain information, if any, that may pertain to events that have occurred subsequent to the fiscal year to which this Annual Report pertains is provided solely for convenience, and any such information is not intended to suggest that other such information not so included is any less material or important to an investor.

All financial and other information presented in this Annual Report has been provided by the College from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the College. No representation is made that past experience, as is shown by financial and other information, will necessarily continue or be repeated in the future, and no representation is made as to the materiality or completeness of that information.

Insofar as the statements contained in this Annual Report involve matters of opinion, projections, or estimates, even if not expressly stated as such, such statements are made as such and not as representations of fact or certainty, no representation is made that any of such statements have been or will be realized, and such statements should be regarded as suggesting independent investigation or consultation of other sources prior to the making of investment decisions. Certain information may not be current; however, attempts were made to date and document sources of information.

Certain information in this Annual Report may be attributed to the Ohio Municipal Advisory Council (“OMAC”). OMAC compiles information from official and other sources. OMAC believes the information that it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guarantee its accuracy. OMAC has not reviewed this Annual Report to confirm that any such information attributed to it is information provided by OMAC or for any other purpose.

Any CUSIP numbers contained herein have been provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association (“ABA”) by FactSet Research Systems. CUSIP is a registered trademark of the ABA. Any such CUSIP numbers are provided solely for convenience. The College

is not responsible for the selection or use of any such CUSIP numbers and does not undertake any responsibility for their accuracy now or at any time in the future. CUSIP numbers are subject to being changed as a result of subsequent actions and events.

References herein to provisions of Ohio law, whether codified in the Ohio Revised Code (the “Revised Code”) or uncodified, or to the provisions of the Ohio Constitution or the College’s resolutions, are references to such provisions as they presently exist. Any of these provisions may from time to time be amended, repealed or supplemented.

As used in this Annual Report, “State” or “Ohio” means the State of Ohio. “Fiscal Year” or “fiscal year” means the 12-month period ending June 30, and reference to a particular Fiscal Year (such as “Fiscal Year 2025”) means the Fiscal Year ending on June 30 in that year.

Additional information concerning this Annual Report is available from Julienne R. Melvin, Interim Vice President for Finance and Administration, Oberlin College, Cox Administration Building, 70 N. Professor Street, Oberlin, Ohio 44074; telephone: (440) 775-8460.

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Faculty and Employees

Excluding students and temporary help, the College has approximately 912 full-time-equivalent (“FTE”) employees as shown in the table below. The table includes both those faculty actively teaching as well as those whose sabbatical and other leaves of absence are covered by College funds as of June 30, 2025.

Group	FTE
Faculty	315
Administrative and Professional	417
Other	180
Total	912

Over the past five years, the overall student faculty ratio has averaged 9:1. The percentage of the tenured faculty is 54% and an additional 26% are tenure track.

Administrative assistants, service employees, carpenters and security personnel numbering 176 employees (FTE”) are covered by collective bargaining agreements with the College. Administrative assistants are members of the Oberlin College Office and Professional Employees bargaining unit, which is affiliated with the Office and Professional Employees International Union (OPEIU). Their current contract expires on June 30, 2028. Service employees are organized as and are affiliated with Region 2 United Auto Workers (“UAW”). Their contract expires July 31, 2026. The carpenters are organized under an agreement with the Northeast Ohio District Council of Carpenters of the United Brotherhood of Carpenters and Joiners of America. Their contract expires April 30, 2027. Security personnel are organized through a local association, the Oberlin College Security Association, affiliated with the OPEIU, and their contract expires on June 30, 2026. The College enjoys a good working relationship with all of the bargaining units.

Student Enrollment and Applications

During the past five years, the College’s undergraduate Fall headcount has ranged between 2,886 and 2,647. The headcount for Fall 2024 was 2,886 students. In the near term, the College plans for relatively consistent enrollment levels with some modest enrollment growth through improved retention and revenue growth.

Academic Year	Enrollment	
	Fall Headcount	FTE
2020-21	2,647	2,634
2021-22	2,942	2,980
2022-23	3,082	3,076
2023-24	2,950	2,943
2024-25	2,886	2,875

The following table shows various freshman admission statistics for the Fall semester of the years indicated. A student may apply to the College of Arts and Sciences or to the Conservatory, or to both. Students applying to both divisions are termed “double degree” students.

**Historical Record of Freshman
Admissions Statistics for Fall Enrollment**

COLLEGE OF ARTS AND SCIENCES

Academic Year	Applications	Admitted No.	Admitted % of Applications	Enrolled No.	Enrolled % of Admitted	Double Degree	Average SAT Score ¹	
							Verbal	Math
2020-21	7,919	2,999	37.9%	579	19.3%	33	695	678
2021-22	9,243	3,377	36.5	777	23	52	N/A	N/A
2022-23	10,340	3,609	34.9	822	22.8	38	N/A	N/A
2023-24	10,249	3,375	32.9	701	20.8	36	N/A	N/A
2024-25	9,702	3328	34.3	622	18.7	52	N/A	N/A

CONSERVATORY OF MUSIC

Academic Year	Applications	Admitted No.	Admitted % of Applications	Enrolled No.	Enrolled % of Admitted	Double Degree	Average SAT Score ¹	
							Verbal	Math
2020-21	1,386	417	30.1%	134	32.1%	33	663	644
2021-22	1,353	413	30.5	139	33.7	52	N/A	N/A
2022-23	1,175	390	33.2	99	25.4	38	N/A	N/A
2023-24	1,197	423	35.3	129	30.5	36	N/A	N/A
2024-25	1,294	432	33.4	133	30.8	52	N/A	N/A

¹ Oberlin College implemented a test-optional policy starting with the 2020-2021 admissions cycle, which will continue as a pilot program through the 2025-2026 application year.

The table below presents basic admissions information for first-time matriculants in the Fall semester for the two divisions on a combined basis. Since musical talent is the over-riding factor for admission to the Conservatory, the SAT data presented are for the College of Arts and Sciences only.

Enrollment Statistics — Both Divisions

Academic Year	Applications	Admitted		Enrolled		Average SAT Score ¹
		Admitted No.	% of Applications	Enrolled No.	% of Admitted	
2020-21	9,305	3,416	36.7%	699	20.5%	1,359
2021-22	10,596	3,790	35.8	916	24.2	N/A
2022-23	11,066	3,859	34.9	882	22.9	N/A
2023-24	11,039	3,641	33.0	779	21.4	N/A
2024-25	10,529	3596	34.2	703	19.5	N/A

Double degree students are counted in both divisions separately, but the combined table includes double degree students only once in terms of admitted and enrolled student numbers.

For Fall 2024, the College brought 731 new undergraduates (703 first year and 28 transfer students) to campus across both divisions.

The number of first year Arts and Sciences applications for Fall 2024 total 9,702 submitted Common Applications, QuestBridge Applications and Coalition Applications. This is a decrease from the record high application volumes seen in 2022 and 2023, but remains the 3rd highest total in the College’s history. Based on the previous four fiscal years, the current year applications represent a 3% increase on that average over the previous four fiscal years.

The College of Arts and Sciences considered 635 early decision candidates for Fall 2024, an increase compared to 573 candidates for Fall 2023. The College enrolled 215 students in the early decision program, compared to 226 for Fall 2023. While we enrolled fewer early decision applicants than the previous year, they represented a slightly larger percentage of the incoming class (35% vs 32%). Including incoming gap year students, 38% of the class was accounted for before the Regular Decision round.

We welcomed a total of 641 new undergraduates to the College of Arts and Sciences, including both first year and transfer students. The College of Arts and Sciences admitted 34.3% of first-year applicants. This is lower than the admits rates for the years 2020-2022, but is a slight increase from 2023.

The Conservatory considered 1,294 applicants for Fall 2024, an 8% increase compared to the prior year. Selectivity remains consistent with prior years.

¹ Oberlin College implemented a test-optional policy starting with the 2020-2021 admissions cycle, which will continue as a pilot program through the 2025-2026 application year.

**Geographical Distribution of New Students
(Fall of Academic Year Shown)**

Region	2020-21	2021-22	2022-23	2023-24	2024-25
New England	11%	10%	10%	10%	10%
Mid-Atlantic	25	28	28	28	28
South	11	10	9	10	10
Midwest	20	19	20	20	20
Southwest	4	4	4	4	4
West	17	19	19	19	18
Foreign Countries	<u>12</u>	<u>10</u>	<u>10</u>	<u>9</u>	<u>10</u>
	100%	100%	100%	100%	100%

In recent years, 83% to 91% of the College’s entering first-time matriculants graduate from the College within six years. The College has historically experienced strong retention rates, and the College is focusing on retention work that reinforces the College’s efforts to identify students at risk of departing and intervening earlier to provide support. The College expects this work to eventually result in stronger retention rates.

The College has successfully launched a number of initiatives to promote student success and retention, including first year seminars, the experiential learning initiative and Internship+ Commitment, the Sophomore Opportunities and Academic Resources (SOAR) program, the Peer Advising Leaders (PAL) program, residential education communities and themed Career Communities. The College expects these programs to have a strong impact on student success and retention over the coming years.

First-year to second-year undergraduate retention as follows:

Academic Year	Retention Rate
2020-21	83.0%
2021-22	90.6
2022-23	86.4
2023-24	88.8
2024-25	91.3

Tuition

The College’s tuition and fees were \$64,410 for the 2024-25 academic year, an increase of 4.25% over the 2023-24 academic year. A 2.9% tuition increase, and a 3% other charges increase was approved for the 2025-26 academic year. The table below shows annual student fee data for the last five academic years.

Summary of Standard Student Charges

Academic Year	Tuition	Fees	Board	Room	Total
2020-21	\$57,654	\$850	\$8,734	\$8,600	\$75,838
2021-22	\$59,384	\$859	\$8,996	\$8,858	\$78,097
2022-23	\$61,106	\$868	\$9,266	\$9,124	\$80,364
2023-24	\$63,700	\$896	\$9,544	\$9,398	\$83,538
2024-25	\$66,410	\$906	\$9,830	\$9,680	\$86,826

Financial Aid

The College has a commitment to meeting the full, evaluated financial need of its students with scholarship grants, employment earnings, and student loans. Net student income, comprised of tuition and fees, room and board, net of student financial aid, is the largest component of the College's unrestricted operating revenues, totaling \$139.1 million in fiscal year 2025. Compared to revenue of \$140.2 million in fiscal year 2024, net student revenue decreased slightly by \$1.1 million. This is a result of slightly lower enrollment combined with higher student need.

In fiscal year 2025, the discount rate increased from 53.1% last year to 55.3% this year (calculated as the percentage of total student aid to total tuition and fees). This increase is driven by our institutional commitment to meeting full financial need and is primarily driven by the tuition, room, and board increases offset by higher demonstrated student need. Tuition rates increased 4.25% in both 2025 and 2024. Total student financial aid increased by \$7.9 million in fiscal year 2025, increasing from \$103.1 million in fiscal year 2024 to \$111.1 million this year.

Endowment and Annuity and Life Income Funds

The total General Investment Pool of the College consists of the endowment pool, non-pooled investments, funds held in trust as well as annuity and life income funds. The annuity and life income funds consist of pooled income fund trusts, the Gift Annuity Pool, annuity trusts and unitrusts. The General Investment Pool is a unitized investment pool containing substantially all of the College's endowment assets, which are commingled for investment purposes (the "Endowment"). The College maintains a diversified investment portfolio that includes allocations to traditional asset classes (equities, fixed income, etc.) and alternative asset classes (hedge funds, private equity, real estate, etc.). As of June 30, 2025, the General Investment Pool had a net market value of \$1,480.8 million compared to a net market value of \$1,270.5 million at June 30, 2024. The College's total net return for fiscal year 2025 was 12.1% versus a total net return of 8.5% for fiscal year 2024.

The table below summarizes the net market value of the College's total endowment, as defined above, for the last five fiscal years (in thousands).

Fiscal Year	2025	2024	2023	2022	2021
Endowment Market Value	\$1,480,794	\$1,270,465	\$1,199,537	\$1,183,657	\$1,273,002
Annual Return %	12.1%	8.5%	5.1%	-4.9%	42.8%

In fiscal year 2020, the College elected to establish a sinking fund to generate the necessary funds for future taxable debt retirement. These funds are invested consistently within the General Investment Pool alongside the general endowment but are not endowed funds. The sinking value was \$8.1 million at June 30, 2025 compared to \$4.7 million at June 30, 2024 and \$1.7 million at June 30, 2023. The College utilized the fund to pay off the principal loan balance of \$14.2 million for the Gateway Complex Project during fiscal year 2023.

Per the Oberlin College Investment Policy Statement, a maximum of 5.0% of the Endowment's market value may be allocated to an individual manager (across all related underlying funds), and any exceptions to the concentration limit shall be reviewed and approved by the Investment Committee of the College's Board of Trustees. Mandatory rebalancing will be triggered for liquid investments (fixed income, public equity and absolute return funds) if the position size of a manager exceeds 5.5%.

For additional information about the allocation of the College's Endowment, see Note 2 of the College's audited financial statements, attached to this report. The Investment Committee oversees the design, structure and prudent professional management of the Endowment in accordance with the Board-

approved Investment Policy. The Investment Committee reserves itself the exclusive right to review the Investment Policy and will communicate any material changes to the Board, auditors and legal counsel on a regular basis. The Investment Committee is responsible for regularly reporting on investments to the full Board.

The College’s Chief Investment Officer (“CIO”) assists in establishing investment policy, reviewing, and selecting investment managers, and monitoring and evaluating investment performance. The CIO communicates to the Investment Committee any significant changes in investment management organizations’ personnel and strategies. The CIO is responsible for recommending the allocation of new funds in accordance with the current Investment Policy.

The College made a strategic decision to reduce the endowment draw for operations by 0.1% per year beginning in fiscal year 2017, resulting in an approved payout rate for operations of 4.3% in fiscal year 2025.

Gifts and Grants

While the varying size of bequests can cause fluctuations in unrestricted giving from year to year, annual fund unrestricted giving has consistently ranged from \$5.8 million to \$16.1 million during the past five fiscal years.

Comparative Summary of Gifts Received per Fiscal Year (in thousands)

Fiscal Year	2025	2024	2023	2022	2021
Without Donor Restrictions	\$ 6,401	\$22,797	\$15,851	\$16,553	\$16,425
With Donor Restrictions	<u>26,228</u>	<u>108,579</u>	<u>14,912</u>	<u>27,098</u>	<u>13,459</u>
Total Gifts Received	\$32,629	\$131,376	\$30,763	\$43,651	\$29,884

Financial Operations

The following Statements of Financial Position and Statements of Activities show the financial results of operations for the College for the fiscal years 2025, 2024, 2023, 2022 and 2021. This information is derived from the audited financial statements of the College.

Copies of the audited financial statements for fiscal year 2025 are included in this Annual Report. The financial statements are presented on the accrual basis of accounting, focusing on the institution as a whole. These statements also reflect the assets, liabilities, and operating activities of the Gateway Center, with the elimination of intercompany transactions and balances.

Oberlin College
Statements of Financial Position
For the years ended June 30, 2025, 2024, 2023, 2022, and 2021
(dollars in thousands)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>					
Current Assets					
Cash and cash equivalents	\$ 50,078	\$ 37,486	\$ 30,952	\$ 60,687	\$ 56,281
Restricted cash	13,730	83,545	128,469	45,679	-
Accounts receivable, net	1,343	1,988	1,445	2,082	2,145
Pledges	1,757	9,671	6,542	16,598	2,309
Asset held for sale	2,986	-	-	-	-
Other current assets	3,793	1,634	2,819	2,023	2,592
Total current assets	\$ 73,687	\$ 134,324	\$ 170,227	\$ 127,069	\$ 63,327
Other Assets					
Pledges, net	\$ 16,620	\$ 106,206	\$ 11,710	\$ 10,268	\$ 9,151
Student loans, net	4,921	5,348	5,457	6,457	7,181
Other long-term receivables	-	-	-	3,530	7,705
Total other assets	\$ 21,541	\$ 111,554	\$ 17,167	\$ 20,255	\$ 24,037
Long-Term Investments					
Assets restricted to investment					
in land, buildings and equipment	\$ 4,525	\$ 4,676	\$ 4,676	\$ 4,947	\$ 4,941
Endowment funds	1,481,321	1,270,954	1,199,537	1,183,657	1,273,002
Sinking fund	8,049	4,674	1,720	13,148	9,474
Annuity and life income funds	39,227	39,626	38,085	38,532	48,561
Funds held in trust by others	22,244	20,737	19,140	18,168	22,459
Total long-term investments	\$ 1,555,366	\$ 1,340,667	\$ 1,263,158	\$ 1,258,452	\$ 1,358,437
Property, Plant and Equipment					
Land, buildings and equipment	\$ 1,138,992	\$ 861,955	\$ 831,104	\$ 817,450	\$ 807,294
Construction in progress	7,985	206,075	130,315	75,817	14,830
Less: accumulated depreciation	(562,014)	(534,219)	(509,828)	(486,272)	(464,373)
Total property, plant and equipment	\$ 584,963	\$ 533,811	\$ 451,591	\$ 406,995	\$ 357,751
TOTAL ASSETS	\$ 2,235,557	\$ 2,120,356	\$ 1,902,143	\$ 1,812,771	\$ 1,803,552

The Notes to Financial Statements are an integral part of these statements.

Oberlin College
Statements of Financial Position
For the years ended June 30, 2025, 2024, 2023, 2022, and 2021
(dollars in thousands)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>LIABILITIES and NET ASSETS</u>					
Current Liabilities					
Accounts payable	\$ 17,594	\$ 22,368	\$ 24,540	\$ 16,706	\$ 16,573
Bonds and loans payable	-	-	-	767	901
Deposits and agency funds	10,557	9,892	16,334	14,422	10,786
Other current liabilities	5,478	5,279	3,955	40,499	16,072
Total current liabilities	\$ 33,629	\$ 37,539	\$ 44,829	\$ 72,394	\$ 44,332
Other Liabilities					
Accrued postretirement benefit obligation	9,023	19,982	19,947	22,741	18,339
Annuity obligations	12,684	13,235	13,186	13,546	16,216
Federal student loan funds	339	1,028	213	1,104	2,084
Loans payable	-	-	-	18,801	25,481
Other non-current liabilities	9,817	9,013	8,616	8,735	59,272
Bonds payable, net	408,045	408,867	380,211	260,364	164,502
Total liabilities	\$ 473,537	\$ 489,664	\$ 467,002	\$ 397,685	\$ 330,226
Net Assets					
Without donor restrictions -					
Current operations	\$ 3,646	\$ 3,804	\$ (34,534)	\$ (15,824)	\$ (39,036)
Non-operating	-	-	-	(102)	(15,878)
Legal contingency	-	-	-	(36,287)	(31,615)
Designated for specific purposes	20,725	20,198	9,108	4,932	11,456
Plant and facility funds	33,908	28,061	46,216	54,377	63,572
Amortized contributions for long-lived assets	60,107	65,161	69,689	73,231	77,016
Sinking fund	8,049	4,674	1,720	13,148	9,475
Endowment funds	193,919	191,022	167,324	168,940	185,757
Total without donor restrictions	\$ 320,354	\$ 312,920	\$ 259,523	\$ 262,415	\$ 260,747
With donor restrictions -					
Donor designated for specific purposes	\$ 78,559	\$ 77,653	\$ 71,587	\$ 58,056	\$ 45,306
Annuity and life income funds	5,818	6,193	15,792	20,514	20,887
Student loan funds	5,801	5,414	7,121	6,998	6,563
Unexpended plant and facility funds	32,470	23,149	22,206	22,514	24,898
Funds held in trust by others	22,244	20,737	19,140	18,168	22,459
Endowment funds	1,296,774	1,184,626	1,039,772	1,026,421	1,092,466
Total with donor restrictions	\$ 1,441,666	\$ 1,317,772	\$ 1,175,618	\$ 1,152,671	\$ 1,212,579
Total net assets	\$ 1,762,020	\$ 1,630,692	\$ 1,435,141	\$ 1,415,086	\$ 1,473,326
TOTAL LIABILITIES and NET ASSETS	\$ 2,235,557	\$ 2,120,356	\$ 1,902,143	\$ 1,812,771	\$ 1,803,552

The Notes to Financial Statements are an integral part of these statements.

Oberlin College
Statements of Activities
For the years ended June 30, 2025, 2024, 2023, 2022, and 2021
(dollars in thousands)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Operating Revenues					
Tuition and fees	\$ 200,771	\$ 194,275	\$ 189,216	\$ 192,317	\$ 137,500
Room and board	49,355	49,023	47,373	48,943	30,351
Student aid	<u>(111,049)</u>	<u>(103,143)</u>	<u>(97,538)</u>	<u>(96,917)</u>	<u>(67,085)</u>
Net student income	139,076	140,155	139,051	144,343	100,766
Auxiliary services, other	5,210	5,029	4,933	4,950	1,628
Government grants and contributions	5,191	4,465	3,685	8,103	5,014
Private gifts and grants	12,275	20,302	18,151	21,802	16,489
Investment earnings and gain	52,350	50,798	46,788	39,075	58,670
Other sources	8,150	3,952	4,045	4,599	4,110
Net assets released from restrictions	<u>4,194</u>	<u>4,851</u>	<u>4,520</u>	<u>4,624</u>	<u>4,596</u>
Total operating revenues	<u>\$ 226,446</u>	<u>\$ 229,552</u>	<u>\$ 221,173</u>	<u>\$ 227,496</u>	<u>\$ 191,273</u>
Operating Expenses					
Instruction and research	\$ 98,154	\$ 88,797	\$ 87,878	\$ 74,708	\$ 80,619
Academic support	21,954	23,466	20,120	17,853	26,884
Student services	25,250	25,151	24,032	22,323	18,261
Institutional support	35,756	32,034	32,210	33,733	26,480
Auxiliary services, student and other	<u>51,137</u>	<u>49,366</u>	<u>49,004</u>	<u>41,569</u>	<u>29,860</u>
Total operating expenses	<u>\$ 232,251</u>	<u>\$ 218,814</u>	<u>\$ 213,244</u>	<u>\$ 190,186</u>	<u>\$ 182,104</u>
Change in net assets from operating activities	<u>\$ (5,805)</u>	<u>\$ 10,738</u>	<u>\$ 7,929</u>	<u>\$ 37,310</u>	<u>\$ 9,169</u>
Non-operating Activities					
Investment earnings/(losses)	\$ 16,775	\$ 35,063	\$ 30,648	\$ 72,497	\$ 16,362
Unrealized gains/(losses)	102,083	17,721	(15,782)	(182,734)	333,162
Contributions, net	14,518	106,609	314	29,153	3,422
Change in annuities	(4,702)	(2,734)	(1,809)	708	(3,781)
Post-retirement benefit obligation adjustment	10,959	(35)	2,794	(4,402)	3,769
Change in fair value of swap contracts	-	-	293	1,623	5,741
Gain on new market tax credit	-	-	1,439	1,897	-
Settlement Recovery	-	30,325	-	-	-
Legal Contingency	-	-	(307)	-	-
Non-recurring bond defeasance charge	-	-	-	(4,672)	833
Redesignated funds and other	1,694	2,715	(944)	(4,996)	(1,930)
Net assets released from restrictions	<u>(4,194)</u>	<u>(4,851)</u>	<u>(4,520)</u>	<u>(4,624)</u>	<u>(4,596)</u>
Change in net assets from non-operating activities	<u>\$ 137,133</u>	<u>\$ 184,813</u>	<u>\$ 12,126</u>	<u>\$ (95,550)</u>	<u>\$ 352,982</u>
Change in net assets	<u>131,328</u>	<u>195,551</u>	<u>20,055</u>	<u>(58,240)</u>	<u>362,151</u>
Net assets at beginning of year	<u>\$ 1,630,692</u>	<u>\$ 1,435,141</u>	<u>\$ 1,415,086</u>	<u>\$ 1,473,326</u>	<u>\$ 1,111,175</u>
Net assets at end of year	<u>\$ 1,762,020</u>	<u>\$ 1,630,692</u>	<u>\$ 1,435,141</u>	<u>\$ 1,415,086</u>	<u>\$ 1,473,326</u>

The Notes to Financial Statements are an integral part of these statements.

Budgeting Process and Current Budgets

The College's operating and capital budgets are reviewed regularly by the administration of the College and the Board. Each Fall a multi-year financial forecast is prepared that includes assumptions about the general economic climate, the College's competitive position, the growth rate for major revenue and expenditure categories, and the financial implications of changes that are anticipated in existing policies or practices. The specific planning assumptions for the following fiscal year represent the basic budget guidelines.

The operating budget is developed in the early Spring each year and presented to the Board for approval at its June meeting. Major capital projects, generally those spanning more than one fiscal year, are approved on a rolling basis. The annual capital budget includes capital maintenance and divisional capital equipment and is approved by the Board in December.

Projections of operating results are presented at each meeting of the Board. The audited financial report for the prior fiscal year is generally approved at the December Board meeting.

The fiscal year 2025 operating budget ended with a surplus of \$176 thousand largely due to a positive variance in employee benefit costs offset by the negative impact of increased student aid as well as negative variances in maintenance, custodial, and dining services costs resulting from negative inflationary pressures. An extraordinary withdrawal from the endowment is not anticipated nor planned.

Outstanding Debt of the College

The table below includes the current outstanding long-term indebtedness of the College as of December 31, 2025.

	<u>Original</u> <u>Issue</u>	<u>Principal</u> <u>Outstanding</u>	<u>Maturity Date</u>
Series 2017 Bonds	\$39,765,000	\$33,775,000	10/1/2047
Series 2019 Bonds	82,065,000	82,065,000	8/1/2049
Series 2021A Bonds	80,625,000	80,625,000	10/1/2051
Series 2021B Bonds	30,350,000	30,350,000	10/1/2051
Series 2023A Bonds	108,820,000	108,820,000	10/1/2053
Series 2023B Bonds	27,570,000	26,940,000	10/1/2038
Series 2024 Bonds	30,000,000	30,000,000	5/1/2054 ¹
Total		<u>\$392,575,000</u>	

During fiscal year 2025, the College had an unsecured line of credit in the amount of \$30,000,000. There was no outstanding balance under the line of credit on June 30, 2025.

¹ The Series 2024 Bonds are subject to a mandatory tender on April 3, 2034.

The following table shows the debt service, as of December 31, 2025, on the bonds:

Year	Principal	Operating Interest¹	Debt Service
2026	\$ 1,560,000	\$ 16,050,250	\$ 17,610,250
2027	2,530,000	15,972,250	18,502,250
2028	3,675,000	15,822,245	19,497,245
2029	3,130,000	15,639,366	18,769,366
2030	7,665,000	15,507,738	23,172,738
2031	7,995,000	15,128,660	23,123,660
2032	8,340,000	14,756,033	23,096,033
2033	8,705,000	14,339,942	23,044,942
2034	27,670,000	13,206,963	40,876,963
2035	3,870,000	12,652,304	16,522,304
2036	4,070,000	12,458,804	16,528,804
2037	5,510,000	12,255,304	17,765,304
2038	5,785,000	11,979,804	17,764,804
2039	4,860,000	11,690,554	16,550,554
2040	5,105,000	11,447,554	16,552,554
2041	5,370,000	11,192,304	16,562,304
2042	5,645,000	10,923,804	16,568,804
2043	5,925,000	10,641,554	16,566,554
2044	6,205,000	10,365,504	16,570,504
2045	6,505,000	10,076,254	16,581,254
2046	6,815,000	9,772,904	16,587,904
2047	7,140,000	9,454,904	16,594,904
2048	7,495,000	9,121,604	16,616,604
2049	84,735,000	8,746,854	93,481,854
2050	11,135,000	5,582,584	16,717,584
2051	113,940,000	4,997,997	118,937,997
2052	15,190,000	1,637,738	16,827,738
2053	16,005,000	840,266	16,845,266
Total	\$392,575,000	\$312,262,042	\$704,837,042

For more information on the College's outstanding debt, see Note 7 to the College's audited financial statements attached to this Annual Report.

¹ Debt service on the Series 2024 Bonds, is calculated assuming mandatory tender on April 3, 2034.

Debt Related Derivatives

The College debt portfolio no longer includes derivative instruments.

Debt Outlook and Future Capital Plans

In July 2023, the Ohio Higher Education Facility Commission (“Commission”) issued its \$27,570,000 State of Ohio (Ohio Higher Educational Facility Commission) Higher Educational Facility Revenue Refunding Bonds (Oberlin College 2023 Project), Series 2023B, dated July 5, 2023 (the “Series 2023B Bonds”) for the benefit of the College, the proceeds of which were applied to the refunding of the outstanding principal amount of the State of Ohio (Ohio Higher Educational Facility Commission) Higher Educational Facility Revenue Bonds (Oberlin College 2013 Project).

In April 2024, the Commission issued its State of Ohio (Ohio Higher Educational Facility Commission) Higher Educational Facility Revenue Bonds (Oberlin College 2024 Project), dated April 22, 2024, in the original principal amount of \$30,000,000 (the “Series 2024 Bonds”) in a private-placement transaction. The proceeds of the Series 2024 Bonds will finance the final phases of the College’s Sustainable Infrastructure Program (“SIP”). The College entered into a lease agreement with the Commission on the properties financed with proceeds of the Series 2024 Bonds. Payments due under the lease agreement represent the principal and interest due on the Series 2024 Bonds. The SIP is a multi-year, campus-wide project focused on replacement and upgrade of the century-old heating infrastructure serving the campus. The work enables a large-scale geothermal system, adding cooling to buildings and the implementation of other building improvements.

At this time, the College does not intend to issue new debt in the next five years. The Series 2017 bonds have a call date in 2027 and the College would look to restructure the debt at that time.

Certain Litigation

The College is involved in litigation and is subject to certain claims that arise in the normal course of operations. In the opinion of management, the ultimate disposition of such litigation and claims will not have a material adverse effect on the College’s operations or financial position.

Audited Financial Statements for Fiscal Year Ending June 30, 2025

The College’s audited financial statements for the fiscal year ending June 30, 2025 are attached to this Annual Report.