

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Belleville, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Belleville Township School District

Belleville, New Jersey

For The Fiscal Year Ended June 30, 2022

Prepared by

Business Office

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INTRODUCTORY SECTION



BELLEVILLE PUBLIC SCHOOLS

Office of the Business
Administrator / Board
Secretary

56 Ralph Street
Belleville, New Jersey 07109
www.bellevilleschools.org

**Richard D. Tomko, Ph.D., M.B.A., M.J.,
M.A.E.**
Superintendent of Schools

Matthew J. Paladino, MS, RSBA
Business Administrator/Board Secretary
Phone: 973 450-3500 X1009
Fax: 973 547-1300
E-mail:
matthew.paladino@bellevilleschools.org

March 6, 2023

Honorable President and
Members of the Board of
Education Belleville School
District
Essex County, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Belleville School District for the fiscal year ended June 30, 2022 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes management discussion and analysis (MD&A), the basic financial statements and schedules, as well as the auditor's report thereon. The MD&A of the District's financial activities is added to this section under GASB 34 to introduce the basic financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the Uniform Administrative requirements, cost principles, and audit requirements for federal awards (Uniform Guidance) and the N.J. Treasury Circular OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Belleville School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the District are included in this report. The Belleville Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2021/2022 fiscal year with an enrollment of 5,015 students, which is (1.8%) more than previous year's enrollment. The district's student enrollment over the last two years is 4,926 students in 2020-2021 and 4,179 students in 2019-2020.

2. ECONOMIC CONDITION AND OUTLOOK: The Township has little undeveloped land and, accordingly, any new industry will have to be a replacement to existing establishments.

3. MAJOR INITIATIVES: Curricula changes have been consistent with the five-year curricula cycle to ensure continuity in programming and proper funding distribution to meet the needs of anticipated curricula changes and implementation of such. Extensive curricular designs took place to better accommodate student needs, including anticipated COVID-19 educational regressions that called for curricular modifications and struggling student intervention strategies. Curricula initiatives and the technology used to support such have been supported by continuous and ongoing professional development for instructional staff and administration, as needed. Such professional development has been noted in the district PDP plan to address Math, ELA, and all-around educational District Teacher Coaching rosters have been maintained through the local budget to allow for six district teacher coaches. To support 21st Century learning initiatives and to continue to address digital divide issues, the district has continued to purchase technology devices (e.g., Chromebooks, interactive TVs, and XP Pens). As such, we continue to be a 1:1 technology district, supplying all students across the PK-12 spectrum with devices. Library Media Centers throughout the district received much-needed upgrades to transform such spaces into student-friendly media centers that now include makerspaces and areas for student exploration through technology. The district continues to utilize our data collection program (PowerSchool Performance Matters) to compile information from our teacher lesson plans, teacher observations, student information system, discipline records, standardized test scores, and district benchmark assessments to present clear and unambiguous data streams to staff and administration to steer instruction and curricula. The use of a district-wide benchmark assessment tool (STAR Renaissance) allows staff to monitor and adjust both individual and whole-class learning as per the data outputs. The District uses the STAR Renaissance data to identify RTI Tiers of supports for students. The Tier 3 students added instruction in ELA or Math that is done by our 10 district wide RTI Interventionists. As previously mentioned, to support such efforts our instructional coaches have been maintained to ensure sustainability of best pedagogical practices throughout the district. The instructional coaches have engaged in various professional development learning activities that include, but are not limited to: individual teaching and learning cycles with staff members; co-teaching professional development sessions; new teacher induction program meetings and workshops; data analysis with district stakeholders (building administrators, teachers, and district administrators). Coaches also continue to turnkey project leads such as the continued efforts to revisit the elementary *Wonders* ELA program to better support reading and writing. To complement any such academic elementary initiatives, all elementary schools have a twenty-five minute “period” during their school day to provide individualized support to students. During this period students are also engaged in remedial programs to meet the needs of individual students (R.I.S.E. program). To meet the social-emotional needs of our students, all elementary school staff continue their social-emotional training through professional development providers. Both the Middle School and the High School continued to offer a student “drop-in” center for students in crisis. Both drop-in centers continue to serve students that are struggling with social-emotional situations to allow the time needed for our guidance counselors to focus on student academic progress and growth. The high school guidance department will continue to use programs (Naviance) to compile academic records for students in an effort to expedite the college application process. Such programs will complement our SAT preparation classes that will be offered during the traditional school day. The Guidance Department will continue to collect Data through programs that will track our upcoming graduation community service requirement (x2VOL). Credit recovery initiatives will continue at the high school level to allow students to progress towards graduation in addition to their school attendance (BUCS Program, Online Educere, GradPoint, Summer School-MS & HS). To enhance instruction, the district will continue to form formal partnerships with colleges and universities to allow students to accumulate college credits while in Belleville High School. The Advanced Placement program has been expanded to use Educere as an Option II platform, allowing our students to participate in new AP courses. Option II credit opportunities will continue to expand and work with community organizations to allow for student learning beyond curricula offerings. The district will also continue to support our CTE vocational programs, such as woodshop, through program expansion and alternative Work Based Learning (WBL) programs to introduce students into the workforce. The district also has a mentoring coordinator to help place students with local professionals to complete internships.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. The district was assigned a state monitor by the Department of Education based on a prior year general fund deficit. The Board of Education worked with the state monitor to ensure that the administration maintained appropriate internal controls. The process continues to result in a positive fiscal year end with another budgetary basis surplus balance at June 30, 2022. As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROL: In addition to internal accounting controls, the District is obligated to maintain budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Annual appropriated budgets are adopted for the general fund, and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re- appropriated are reported as reservations of fund balance as of June 30, 2022.

The district submitted a Corrective Action Plan to the Executive County Superintendent dated April 26, 2022 regarding findings from the 2020-2021 audit. The plan included areas of financial accounting; school purchasing practices; student activities; school food service; ASSA, pupil transportation and the status of prior year audit findings and recommendations. The superintendent, state monitor, business administrator, board of education and administration addressed these issues which were identified in the correction plan. The plan was defined by Action required by the Board, Method of Implementation, position responsible for implementation, and target date for implementation.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements", Note 1. The district filed appropriate monthly financial reports for the 2021-22 school year, which were available to the public. District staffing was monitored closely to reflect the educational needs at all schools. Monthly student enrollment and staffing were compared for adequacy. The district reorganized the registration and residency process to validate home addresses and insure that incoming students would attend the proper school. The Board approved administrative changes and budgetary transfers to insure the fiscal year would not end in a deficit. The State Monitor attended public meetings and with the Superintendent reported the financial condition and board action to the Essex County Executive Superintendent of Schools.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District did meet its responsibility for sound financial management. The following schedule presents a summary of the general fund revenues from local, state and federal sources for the fiscal year ended June 30, 2022:

<u>Revenues</u>	<u>Amount</u>	<u>% of Total</u>
Local	\$43,689,273	44.19%
State Sources	54,574,078	55.33%
Federal Sources	<u>377,857</u>	<u>0.48%</u>
Total	<u>\$98,641,205</u>	<u>100.0%</u>

The following schedule presents a summary of the general fund expenditures based on instruction, support service, capital expenditure and state loan and lease payments (debt service) to fund the 2013/2014 general fund deficit and to fund building projects, technology upgrades and transportation, vehicles, respectively. The schedule represents expenditures for the fiscal year ending June 30, 2022:

<u>Expenditures</u>	<u>Amount</u>	<u>% of Total</u>
Current Expenditures:		
Instruction	\$56,155,570	53.45%
Support Services	36,406,910	34.66%
Capital Outlay	9,730,630	9.26%
Debt Service	<u>2,760,192</u>	<u>2.63%</u>
Total Expenditures	<u>\$ 105,053,302</u>	<u>100.0%</u>

8. DEBT ADMINISTRATION: On June 30, 2022 the District had \$43,235,000 in serial bonds. The District issued serial bonds in March 2018 to finance the 2017 referendum projects. The district also has outstanding capital financing agreements and totaling \$4,578,758 and leases payable totaling \$10,074,176 at June 30, 2022.

9. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to the Financial Statements". The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

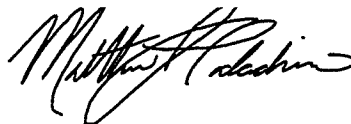
10. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds

11. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related Uniform Administrative requirements, cost principles, and audit requirements for federal awards (Uniform Guidance) and N.J. Treasury Circular Letter OMB 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Respectfully submitted,

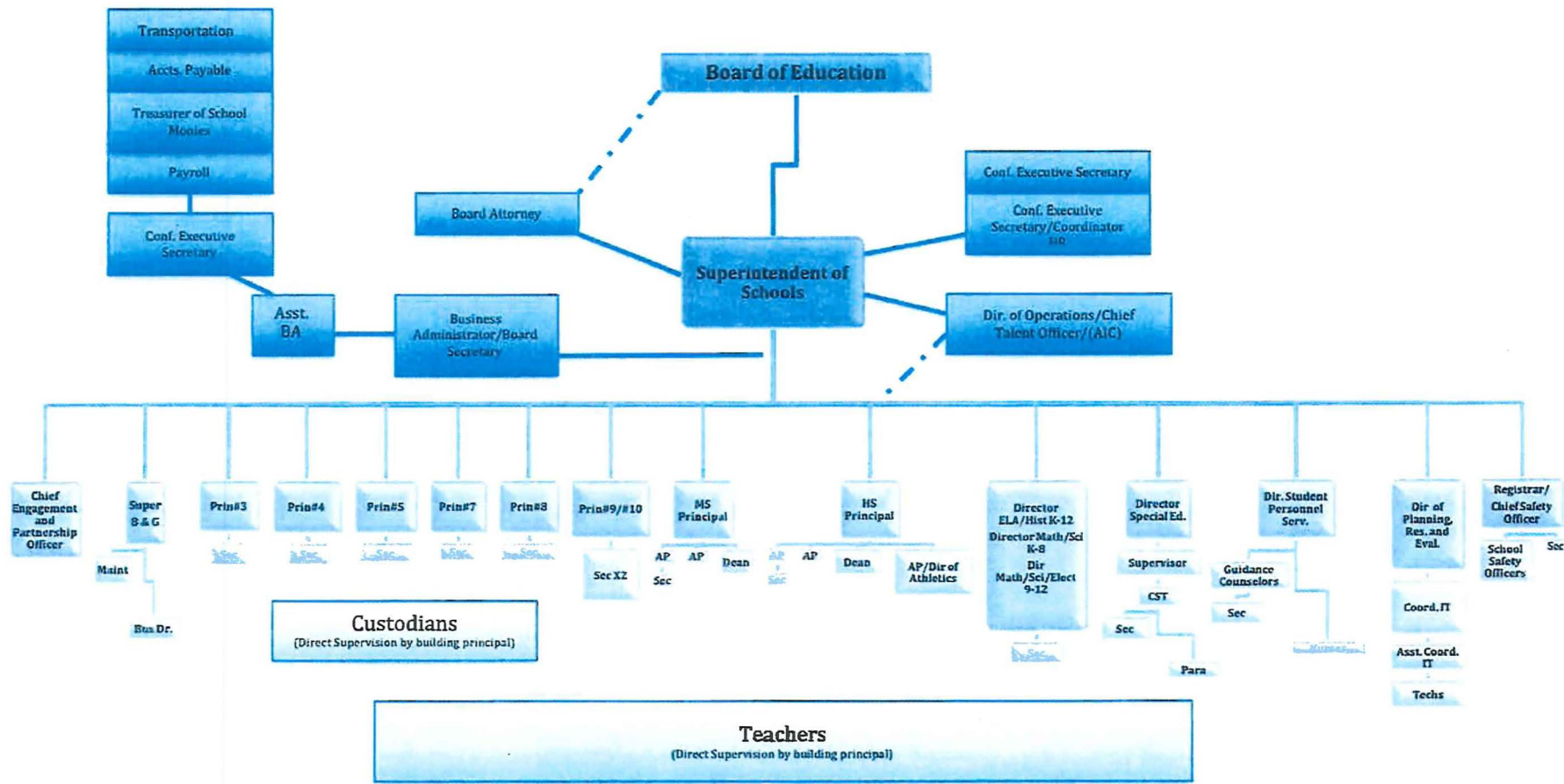


Dr. Richard D. Tomko, Ph.D., M.B.A., M.J., M.A.E
M.S., RSBA Superintendent of Schools



Matthew J. Paladino,
Business Administrator/Board Secretary

POLICY 1110 Organizational Chart



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BELLEVILLE TOWNSHIP SCHOOL DISTRICT

ROSTER OF OFFICIALS

JUNE 30, 2022

Members of the Board of Education

Term Expires December 31

Luis Muniz, President	2023
Gabrielle Bennet – Meany, Vice President	2023
Nicole Daddis	2025
Erika Jacho	2024
Ralph Tunis	2023
Frank Velez	2024
Tracey Williams	2025

Other Officials

Richard D. Tomko, Ph.D., M. J. Superintendent of Schools

Matthew Paladino, Board Secretary, School Business Administrator

John Calavano, Treasurer of School Monies

The Bush Law Group, Board Attorney

Thomas Egan, State Monitor

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

CONSULTANTS & ADVISORS

JUNE 30, 2022

ARCHITECT

H2M Architects + Engineers
119 Charry Hill Road, Suite 110
Parsippany, NJ 07054

ATTORNEY

The Busch Law Firm
450 Main Street
Metuchen, New Jersey, 08840

AUDIT FIRM

Lerch, Vinci & Bliss LLP
17-17 Route 208
Fair Lawn, NJ 07410

OFFICIAL DEPOSITORY

Valley National Bank
237 Washington Avenue
Belleville, New Jersey 07407

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Belleville Township School District
Belleville, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Belleville Township School District, as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Belleville Township School District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 Belleville Township School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Belleville Township School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures 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 Belleville Township School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Belleville Township School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Belleville Township School District's basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Belleville Township School District. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 6, 2023 on our consideration of the Belleville Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Belleville Township School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Belleville Township School District's internal control over financial reporting and compliance.

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
March 6, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I
MANAGEMENT’S DISCUSSION AND ANALYSIS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

As management of the Belleville Township School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Belleville Township School District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, as well as, the District's financial statements and notes to the financial statements which immediately follows this discussion and analysis.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-2022 fiscal year include the following:

- The assets and deferred outflows of resources of the Belleville Township School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year resulting in a net position of \$3,301,530.
- The District's total net position increased by \$5,081,181.
- Overall District revenues were \$114,291,978. General revenues accounted for \$75,658,033 or 66% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$38,633,945 or 34% of total revenues.
- The school district had \$105,625,210 in expenses for governmental activities; only \$34,799,752 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted state) of \$75,656,268 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$6,879,991. Of this amount, \$3,706,695 is restricted for capital projects, \$1,368,528 is restricted for required maintenance projects, \$204,511 is restricted for unemployment claims, \$139,597 is restricted for student activities, \$4,681,477 is committed and assigned to year end encumbrances, \$19,801 is assigned for insurance recovery expenditures, and the remaining amount is the unassigned fund deficit of \$3,240,618.
- The General Fund fund balance at June 30, 2022 was \$7,158,009 an increase of \$1,487,543 compared to the ending fund balance at June 30, 2021 of \$5,670,466.
- The General Fund budgetary fund balance at June 30, 2022 was \$11,361,338, which represents an increase of \$1,684,962 compared to the ending budgetary fund balance at June 30, 2021 of \$9,676,376.
- The District's governmental activities capital assets, net increased by \$7,484,319 during the current fiscal year.
- The District's governmental activities long-term liabilities increased by only \$20,599 during the current fiscal year.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

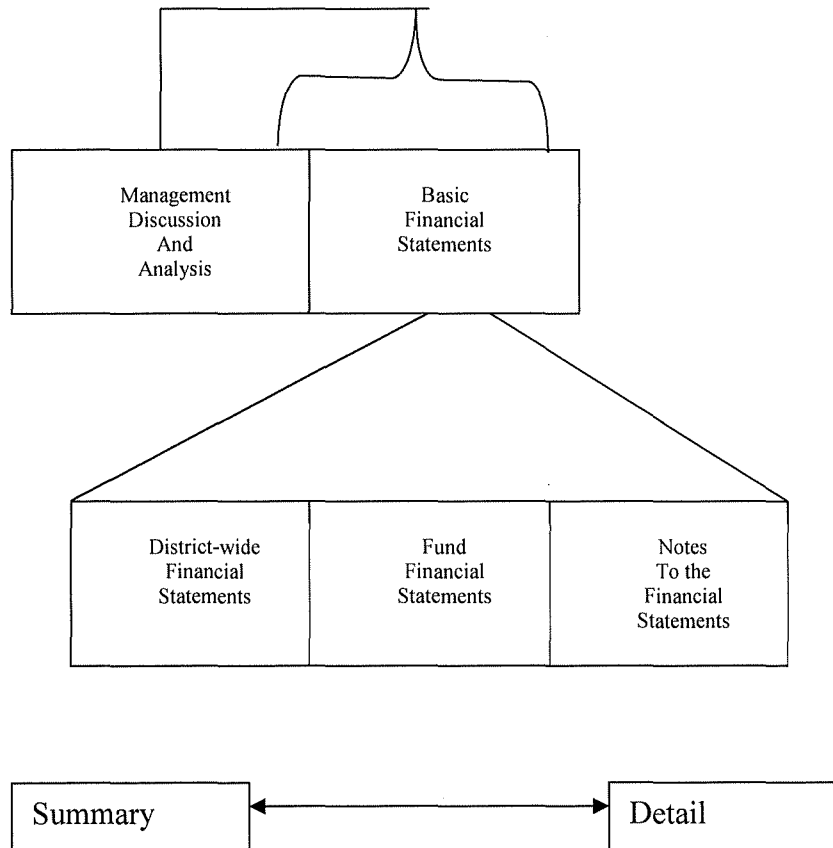
Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District's operations in *more detail* than the district-wide statements.
- The *governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

The basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The following shows how the various parts of this Annual Report are arranged and related to one another.



BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management’s Discussion and Analysis Fiscal Year Ended June 30, 2022

The table below summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction, building maintenance, transportation, and administration.	Activities the district operates similar to private businesses: Enterprise Funds
Required financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenue, Expenditures and Changes in Fund Balances	Statement of Net position Statement of Revenue, Expenses, and Changes in Fund Net Position, Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset, liability and deferred inflows/outflows information	All assets, deferred outflows, liabilities, and deferred inflows, both financial and capital, short-term and Long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities and deferred inflows, both financial and capital, and short-term and long-term
Type of inflow/outflow Information	All revenues and expenses during year, regardless of when cash is received or Paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District’s assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District’s *net position* and how it has changed. Net position – the difference between the District’s assets/deferred outflows and liabilities/deferred inflows – is one way to measure the District’s financial health or *position*.

- Over time, increases or decreases in the District’s net position is an indicator of whether its financial condition is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District’s property tax base and the condition of school buildings and other facilities.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, and plant operation and maintenance. Property taxes and Federal and State aid finance most of these activities.
- *Business type activities* – These are activities for operations that are financed and operated in a manner similar to private business enterprises. The District's food services (cafeteria) program is included under this category.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds* – focusing on its most significant or “major” funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial resources* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
 - *Enterprise Funds* – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has one enterprise fund for its food service (cafeteria) program.
 - *Internal Service Funds* – This fund is established to account for activities that provide services primarily for the District's other programs and activities. The District currently uses an internal service fund to account for its worker's compensation self-insurance program. Because these services benefit governmental rather than business-type functions, they have been included in *governmental activities* in the district-wide financial statements.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

Notes to the 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. The notes to the financial statements can be found following the financial statements.

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for the general and special revenue funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans, as well as, the post-retirement medical benefits plan has also been provided as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining schedules are presented immediately following the major budgetary comparisons, pension and post-retirement medical benefits information.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$3,301,530 on June 30, 2022 compared to a *combined* net position deficit of \$1,779,651 on June 30, 2021 as follows:

Net Position As of June 30, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current and Other Assets	\$ 14,266,610	\$ 15,991,577	\$ 2,117,344	\$ 2,115,866	\$ 16,383,954	\$ 18,107,443
Capital Assets	70,873,525	63,389,206	380,856	33,190	71,254,381	63,422,396
Total Assets	<u>85,140,135</u>	<u>79,380,783</u>	<u>2,498,200</u>	<u>2,149,056</u>	<u>87,638,335</u>	<u>81,529,839</u>
Deferred Outflows of Resources	<u>847,988</u>	<u>1,616,710</u>	-	-	<u>847,988</u>	<u>1,616,710</u>
Liabilities						
Long-Term Liabilities	71,313,679	71,293,080			71,313,679	71,293,080
Other Liabilities	7,674,858	7,524,570	322,101	220,706	7,996,959	7,745,276
Total Liabilities	<u>78,988,537</u>	<u>78,817,650</u>	<u>322,101</u>	<u>220,706</u>	<u>79,310,638</u>	<u>79,038,356</u>
Deferred Inflows of Resources	<u>5,861,895</u>	<u>5,872,962</u>	<u>12,260</u>	<u>14,882</u>	<u>5,874,155</u>	<u>5,887,844</u>
Net Position						
Net Investment in Capital Assets	12,927,660	11,974,099	380,856	33,190	13,308,516	12,007,289
Restricted	5,358,469	6,429,106			5,358,469	676,149
Unrestricted	<u>(17,148,438)</u>	<u>(22,096,324)</u>	<u>1,782,983</u>	<u>1,880,278</u>	<u>(15,365,455)</u>	<u>(20,216,046)</u>
Total Net Position	<u>\$ 1,137,691</u>	<u>\$ (3,693,119)</u>	<u>\$ 2,163,839</u>	<u>\$ 1,913,468</u>	<u>\$ 3,301,530</u>	<u>\$ (1,779,651)</u>

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents amounts reserved for specific purposes by outside parties or statutory requirements. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

The District's balance in total net position of \$3,301,530 at June 30, 2022 represents a \$5,081,181 or a 286% increase in net position from the prior year deficit of \$1,779,651. The following presents the changes in net position for the fiscal years ended June 30, 2022 and 2021.

Changes in Net Position For the Fiscal Years Ended June 30, 2022 and 2021

	Governmental		Business-Type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 326,916	\$ 123,046	\$ 148,926	\$ -	\$ 475,842	\$ 123,046
Operating Grants and Contributions	33,895,238	38,404,754	3,685,267	3,587,941	37,580,505	41,992,695
Capital Grants and Contributions	577,598	247,504			577,598	247,504
General Revenues						
Property Taxes	45,114,688	44,269,221			45,114,688	44,269,221
Unrestricted State Aid	30,179,536	26,533,832			30,179,536	26,533,832
Miscellaneous Income	362,044	739,783	1,765	418	363,809	740,201
Total Revenues	110,456,020	110,318,140	3,835,958	3,588,359	114,291,978	113,906,499
Expenses						
Instruction						
Regular	43,790,749	46,089,278			43,790,749	46,089,278
Special Education	13,351,983	13,790,800			13,351,983	13,790,800
Other Instruction	1,779,315	2,004,370			1,779,315	2,004,370
School Sponsored Activities and Athletics	1,320,951	1,390,185			1,320,951	1,390,185
Support Services						
Student and Instruction Related Services	14,295,557	14,567,413			14,295,557	14,567,413
General Administrative Services	2,017,007	2,086,359			2,017,007	2,086,359
School Administrative Services	7,551,053	7,968,182			7,551,053	7,968,182
Central Administrative Services	3,011,439	2,891,109			3,011,439	2,891,109
Plant Operations and Maintenance	12,164,019	9,050,672			12,164,019	9,050,672
Pupil Transportation	4,461,757	3,028,888			4,461,757	3,028,888
Interest on Long-Term Debt	1,881,380	1,761,608			1,881,380	1,761,608
Food Services	-	-	3,585,587	2,295,805	3,585,587	2,295,805
Total Expenses	105,625,210	104,628,864	3,585,587	2,295,805	109,210,797	106,924,669
Increase in Net Position	4,830,810	5,689,276	250,371	1,292,554	5,081,181	6,981,830
Net Position, Beginning of Year	(3,693,119)	(9,067,432)	1,913,468	620,914	(1,779,651)	(8,446,518)
Prior Period Adjustment	-	(314,963)	-	-	-	(314,963)
Net Position, End of Year	\$ 1,137,691	\$ (3,693,119)	\$ 2,163,839	\$ 1,913,468	\$ 3,301,530	\$ (1,779,651)

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

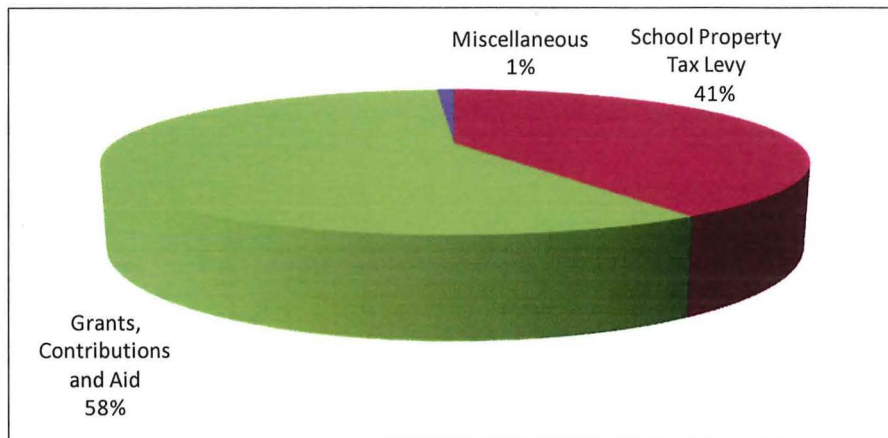
Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$110,456,020 for the fiscal year ended June 30, 2022. Property taxes of \$45,114,688 represented 41% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$64,652,372 or 58% of revenues. In addition, charges for services from tuition and student activity fees as well as general revenue from miscellaneous income such as interest, prior year refunds and other miscellaneous items represented 1% of revenues.

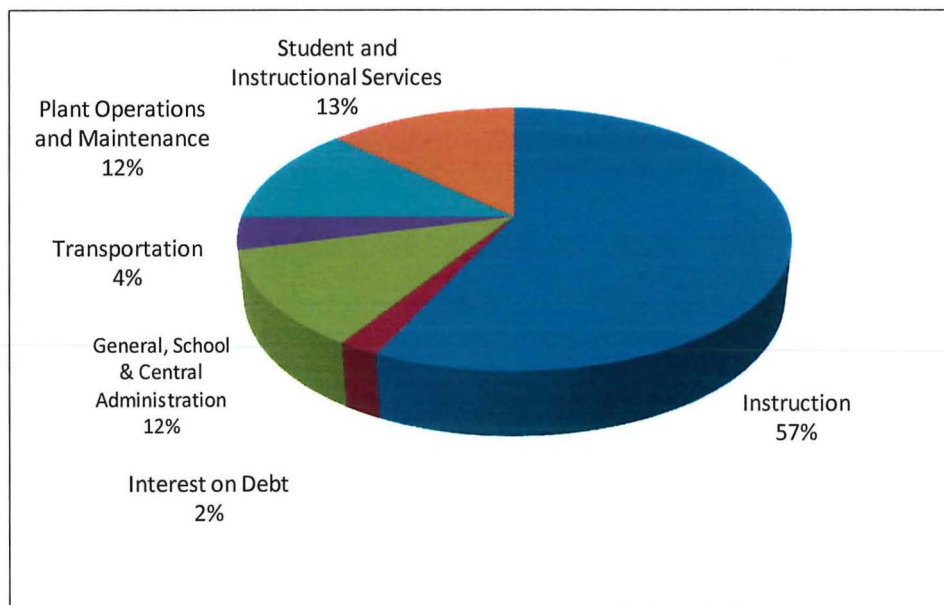
The total cost of all governmental activities programs and services was \$105,625,210 for the fiscal year ended June 30, 2022. The District's expenses are predominantly related to educating and caring for students. Instruction costs were \$60,242,998 (57%) of total expenses. Support services costs were \$43,500,832 (41%) of total expenses and interest on debt totaled \$1,881,380 (2%) of total expenses.

For fiscal year 2022, total governmental activities revenues exceeded expenses increasing net position for governmental activities by \$4,830,810 from the previous year's balance.

**Revenues by Sources – Governmental Activities
For Fiscal Year 2022**



**Expenses by Type-Governmental Activities
For Fiscal Year 2022**



BELLEVILLE TOWNSHIP SCHOOL DISTRICT

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022**

Net Cost of Governmental Activities. The District's total cost of services was \$105,625,210. After applying program revenues, derived from operating and capital grants and contributions of \$34,472,836 and charges for services of \$326,916, the net cost of services of the District was \$70,825,458 for the fiscal year ended June 30, 2022.

Total and Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Instruction:				
Regular	\$ 43,790,749	\$ 46,089,278	\$ 30,368,122	\$ 25,868,479
Special Education	13,351,983	13,790,800	5,735,704	8,976,457
Other Instruction	1,779,315	2,004,370	1,315,090	1,339,766
School Sponsored Activities and Athletics	1,320,951	1,390,185	1,007,308	927,114
Support Services:				
Student & Instruction Related Services	14,295,557	14,567,413	7,168,753	8,307,014
General Administrative Services	2,017,007	2,086,359	1,896,943	1,904,620
School Administrative Services	7,551,053	7,968,182	6,041,156	5,767,381
Central Administrative Services	3,011,439	2,891,109	2,790,173	2,641,343
Plant Operations and Maintenance	12,164,019	9,050,672	9,754,653	6,789,259
Pupil Transportation	4,461,757	3,028,888	3,622,399	2,208,069
Interest on Long Term Debt	<u>1,881,380</u>	<u>1,761,608</u>	<u>1,125,157</u>	<u>1,124,058</u>
Total	<u>\$ 105,625,210</u>	<u>\$ 104,628,864</u>	<u>\$ 70,825,458</u>	<u>\$ 65,853,560</u>

Business-Type Activities – The District business-type activities relate entirely to the Food Service operations which provides cafeteria services to the District students and employees. The District's total business-type activities revenues were \$3,835,958 for the fiscal year ended June 30, 2022. Operating grants and contributions of \$3,683,767 accounted for 96% of total revenues. Change for services of \$148,926 represented 4% of total revenues. Miscellaneous income represented less than one percent.

Total cost of all business-type activities programs and services was \$3,585,587 for the fiscal year ended June 30, 2022.

For fiscal year 2022, total business-type activities revenues exceeded expenses, increasing net position by \$250,371 or 13% compared to the previous year.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$6,879,991 at June 30, 2022, a decrease of \$1,917,109 from last year's fund balance of \$8,797,100. This decrease is primarily attributable to current year expenditures related to the 2017 referendum projects for various school facility improvements which were previously funded by the issuance of serial bonds in March 2018.

Revenues for the District's governmental funds were \$113,318,315, while total expenditures were \$123,738,385 for the fiscal year ended June 30, 2022. In addition, other financing sources of \$8,502,961 were realized primarily from capital financing agreement proceeds and leases issued during fiscal year 2022.

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from Pre-K through 12 including pupil transportation, extra-curricular activities and plant operation and maintenance costs and capital outlay.

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase <u>(Decrease)</u>	Percent Change
Local Sources:				
Property Tax Levy	\$ 43,322,625	\$ 42,473,162	\$ 849,463	2%
Tuition	100,734	39,334	61,400	156%
Miscellaneous	265,914	359,602	(93,688)	-26%
State Sources	54,574,078	46,411,743	8,162,335	18%
Federal Sources	<u>377,854</u>	<u>259,167</u>	<u>118,687</u>	46%
Total General Fund Revenues	<u>\$ 98,641,205</u>	<u>\$ 89,543,008</u>	<u>\$ 9,098,197</u>	10%

For fiscal year 2022, total General Fund revenues increased \$9,098,197 or 10% from the previous year. Property taxes increased \$849,463 or 2% to support increases in budgeted operating costs. Revenues from tuition increased primarily due to an increase in out of district student enrollment. Revenues from miscellaneous local sources decreased 26% mainly due to less earned in prior year refunds and E-Rate reimbursements. As indicated, State aid increased 18% mainly attributable to equalization formula aid and on behalf pension contributions made by the State for the District's teaching professionals.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase <u>(Decrease)</u>	Percent Change
Instruction	\$ 56,155,570	\$ 51,052,664	\$ 5,102,906	10%
Support Services	36,406,910	32,502,984	3,903,926	12%
Debt Service	2,760,192	1,939,832	820,360	42%
Capital Outlay	<u>9,730,630</u>	<u>1,931,810</u>	<u>7,798,820</u>	404%
Total Expenditures	<u>\$ 105,053,302</u>	<u>\$ 87,427,290</u>	<u>\$ 17,626,012</u>	20%

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

GENERAL FUND (Continued)

For fiscal year 2022, total General Fund expenditures increased \$17,626,012 or 20% over the previous year. Increases in regular education instruction costs and support service costs for student and instruction related services, school administration, plant operation and maintenance and pupil transportation support service costs all occurred in the current year. Debt service expenditures increased 42% as a result of the repayment of financing agreements and leases payable. Also a significant increase of \$7,798,820 of capital outlay expenditures was noted in comparison to the prior year as a result of various school facility improvement projects undertaken and long-term building leases issued in the current year.

In fiscal year 2022 General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$1,487,543. Therefore, the total fund balance increased to \$7,158,009 at June 30, 2022. After deducting restricted, committed and assigned fund balances, the unassigned fund deficit increased from \$2,425,035 at June 30, 2021 to \$2,754,223 at June 30, 2022. In addition, total restricted fund balances decreased \$1,071,410 to \$5,210,954 at June 30, 2022 while total committed and assigned fund balances increased \$2,888,141 to \$4,701,278 at June 30, 2022.

General Fund Budgetary Highlights

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant difference between the budgetary basis of accounting and generally accepted accounting principles is the legally mandated revenue recognition of certain delayed or deferred state aid payments. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made through the appropriation of restricted fund balance, reappropriation of prior year encumbrances and budget transfers to prevent over expenditures in specific line item accounts.

For fiscal year 2022 General Fund budgetary revenues and other financing sources exceeded budgetary expenditures and other financing uses increasing budgetary fund balance \$1,684,962 from the previous year. After deducting fund balances restricted, committed and assigned, the unassigned budgetary fund balance decreased \$131,769, from a balance of \$1,580,875 at June 30, 2021 to a balance of \$1,449,106 at June 30, 2022. In addition, the District decreased its restricted fund balance for capital reserve by \$1,440,157 to \$3,637,915 at June 30, 2022, and increased its maintenance reserve by \$368,528 to \$1,368,528 at June 30, 2022.

CAPITAL ASSETS

At the end of fiscal year 2022, the District had \$70,873,525 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$380,856 for business type activities. The following is a comparison of the June 30, 2022 and 2021 balances:

Capital Assets (Net of Accumulated Depreciation) at June 30, 2022 and 2021						
	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 797,368	\$ 596,288			\$ 797,368	\$ 596,288
Construction in Progress	487,380	4,949,916			487,380	4,949,916
Land Improvements	954,926	694,776	\$ 355,063		1,309,989	694,776
Buildings and Improvements	66,584,584	55,162,082			66,584,584	55,162,082
Machinery and Equipment	2,049,267	1,986,144	25,793	\$ 33,190	2,075,060	2,019,334
Total Capital Assets, Net	<u>\$ 70,873,525</u>	<u>\$ 63,389,206</u>	<u>\$ 380,856</u>	<u>\$ 33,190</u>	<u>\$ 71,254,381</u>	<u>\$ 63,422,396</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

LONG TERM LIABILITIES

At June 30, 2022 the District had \$71,313,679 of total outstanding long-term liabilities for governmental activities. The following is a comparison of the June 30, 2022 and 2021 balances:

Outstanding Long-Term Liabilities as of June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
Bonds Payable	\$ 43,235,000	\$ 44,640,000
Capital Financing Agreements, net	4,697,551	4,477,302
Leases Payable	10,074,176	5,494,651
Compensated Absences	3,506,692	3,473,472
State Aid Advance Loan Payable	1,248,725	1,664,968
Net Pension Liability	<u>8,551,535</u>	<u>11,542,687</u>
Total	\$ <u>71,313,679</u>	\$ <u>71,293,080</u>

Additional information of the District's long-term liabilities is presented in Note 3 of this report.

FACTORS BEARING ON THE DISTRICT'S FUTURE

While many factors influence the District's future, the availability of funding for increased enrollment, staffing needs, facility improvements, the District's financial condition and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District's administration during the process of developing the fiscal year 2022-2023 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2022-2023. Budgeted expenditures in the General Fund increased approximately 11% to \$90,196,209 for fiscal year 2022-2023. Increases in State aid funded the majority of the increase in budgeted expenditures.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Belleville Township School District, 56 Ralph Street., Belleville, NJ 07109.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 5,020,876	\$ 1,765,930	\$ 6,786,806
Investments	698,846		698,846
Receivables, Net	8,411,495	423,528	8,835,023
Internal Balances	107,700	(107,700)	
Inventory		35,586	35,586
Restricted Assets			
Cash and Cash Equivalents with Fiscal Agent	27,693		27,693
Capital Assets, Not Being Depreciated	1,284,748		1,284,748
Capital Assets, Being Depreciated, Net	<u>69,588,777</u>	<u>380,856</u>	<u>69,969,633</u>
Total Assets	<u>85,140,135</u>	<u>2,498,200</u>	<u>87,638,335</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>847,988</u>	-	<u>847,988</u>
Total Deferred Outflows of Resources	<u>847,988</u>	-	<u>847,988</u>
Total Assets and Deferred Outflows of Resources	<u>85,988,123</u>	<u>2,498,200</u>	<u>88,486,323</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	5,180,112	307,997	5,488,109
Payable to Other Governments	133,522		133,522
Accrued Interest Payable	600,279		600,279
Unearned Revenue	1,760,945	14,104	1,775,049
Noncurrent Liabilities			
Due Within One Year	5,663,626		5,663,626
Due Beyond One Year	<u>65,650,053</u>	-	<u>65,650,053</u>
Total Liabilities	<u>78,988,537</u>	<u>322,101</u>	<u>79,310,638</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	5,861,895		5,861,895
Deferred Commodities Revenue	<u>-</u>	<u>12,260</u>	<u>12,260</u>
Total Deferred Inflows of Resources	<u>5,861,895</u>	<u>12,260</u>	<u>5,874,155</u>
Total Liabilities and Deferred Inflows of Resources	<u>84,850,432</u>	<u>334,361</u>	<u>85,184,793</u>
NET POSITION			
Net Investment in Capital Assets	12,927,660	380,856	13,308,516
Restricted for:			
Capital Projects	3,645,833		3,645,833
Plant Maintenance	1,368,528		1,368,528
Unemployment Compensation	204,511		204,511
Student Activities	139,597		139,597
Unrestricted	<u>(17,148,438)</u>	<u>1,782,983</u>	<u>(15,365,455)</u>
	<u>\$ 1,137,691</u>	<u>\$ 2,163,839</u>	<u>\$ 3,301,530</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
Instruction:							
Regular	\$ 43,790,749	\$ -	\$ 12,845,029	\$ 577,598	\$ (30,368,122)		\$ (30,368,122)
Special Education	13,351,983	100,734	7,515,545	-	(5,735,704)		(5,735,704)
Other Instruction	1,779,315		464,225		(1,315,090)		(1,315,090)
School Sponsored Activities and Athletics	1,320,951	226,182	87,461		(1,007,308)		(1,007,308)
Support Services:							
Student & Instruction Related Services	14,295,557		7,126,804	-	(7,168,753)		(7,168,753)
General Administrative Services	2,017,007		120,064		(1,896,943)		(1,896,943)
School Administrative Services	7,551,053		1,509,897		(6,041,156)		(6,041,156)
Central Administrative Services	3,011,439		221,266		(2,790,173)		(2,790,173)
Plant Operations and Maintenance	12,164,019		2,409,366	-	(9,754,653)		(9,754,653)
Pupil Transportation	4,461,757	-	839,358		(3,622,399)		(3,622,399)
Interest on Long Term Debt	1,881,380	-	756,223	-	(1,125,157)	-	(1,125,157)
Total Governmental Activities	105,625,210	326,916	33,895,238	577,598	(70,825,458)	-	(70,825,458)
Business-Type Activities:							
Food Service	3,585,587	148,926	3,685,267	-	-	\$ 248,606	248,606
Total Business-Type Activities	3,585,587	148,926	3,685,267	-	-	248,606	248,606
Total Primary Government	\$ 109,210,797	\$ 475,842	\$ 37,580,505	\$ 577,598	(70,825,458)	248,606	(70,576,852)

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Continued

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Property Taxes:			
Levied for General Purposes	\$ 43,322,625		\$ 43,322,625
Levied for Debt Service	1,792,063		1,792,063
Unrestricted State Aid	29,622,161		29,622,161
State Aid for Debt Service Principal	557,375		557,375
Miscellaneous Income	362,044	\$ 1,765	363,809
Total General Revenues	75,656,268	1,765	75,658,033
Change in Net Position	4,830,810	250,371	5,081,181
Net Position, Beginning of Year	(3,693,119)	1,913,468	(1,779,651)
Net Position, End of Year	\$ 1,137,691	\$ 2,163,839	\$ 3,301,530

FUND FINANCIAL STATEMENTS

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 4,539,076	\$ 151,461			\$ 4,690,537
Investments			698,846		698,846
Receivables From Other Governments	2,332,437	4,951,460			7,283,897
Other Receivables	1,124,495	3,103			1,127,598
Due from Other Funds	3,416,133				3,416,133
Restricted Assets					
Cash and Investments with Fiscal Agent	-	-	27,693	-	27,693
Total Assets	<u>\$ 11,412,141</u>	<u>\$ 5,106,024</u>	<u>\$ 726,539</u>	<u>\$ -</u>	<u>\$ 17,244,704</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 2,789,840	\$ 787,690	\$ 202,340		\$ 3,779,870
Payroll Deductions and Withholdings Payable	460,922				460,922
Employee Deposits Payable	852,897				852,897
Payable to State Government	82,349	49,173			131,522
Payable to Federal Government		2,000			2,000
Other Liabilities	68,124				68,124
Due to Other Funds		2,853,014	455,419		3,308,433
Unearned Revenue	-	1,760,945	-	-	1,760,945
Total Liabilities	<u>4,254,132</u>	<u>5,452,822</u>	<u>657,759</u>	<u>-</u>	<u>10,364,713</u>
Fund Balances (Deficits)					
Restricted					
Capital Reserve	2,914,980				2,914,980
Capital Reserve - Designated for Subsequent Year's Expenditures	722,935				722,935
Maintenance Reserve	1,368,528				1,368,528
Unemployment Compensation Reserve	204,511				204,511
Student Activities		139,597			139,597
Capital Projects			68,780		68,780
Committed					
Year End Encumbrances	2,499,820				2,499,820
Assigned					
Year End Encumbrances	2,181,657				2,181,657
Insurance Recovery Expenditures	19,801				19,801
Unassigned	<u>(2,754,223)</u>	<u>(486,395)</u>	<u>-</u>	<u>-</u>	<u>(3,240,618)</u>
Total Fund Balances (Deficits)	<u>7,158,009</u>	<u>(346,798)</u>	<u>68,780</u>	<u>-</u>	<u>6,879,991</u>
Total Liabilities and Fund Balances	<u>\$ 11,412,141</u>	<u>\$ 5,106,024</u>	<u>\$ 726,539</u>	<u>\$ -</u>	<u>\$ 17,244,704</u>

**GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2022**

Total Fund Balances - Governmental Funds (Exhibit B-1)		\$ 6,879,991
<p>Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$98,900,334 and the accumulated depreciation is \$28,026,809.</p>		
		70,873,525
<p>Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources in the statement of the net position and amortized over future years.</p>		
Deferred Outflows of Resources	\$ 847,988	
Deferred Inflows of Resources	<u>(5,861,895)</u>	(5,013,907)
<p>The District has financed capital assets through the issuance of serial bonds, long-term financing agreements, and notes. The interest accrual at year end is:</p>		
		(600,279)
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds</p>		
General Obligation Bonds	(43,235,000)	
Capital Financing Agreements (including unamortized premium)	(4,697,551)	
Leases Payable	(10,074,176)	
State Aid Advance Loan Payable	(1,248,725)	
Compensated Absences	(3,506,692)	
Net Pension Liability	<u>(8,551,535)</u>	(71,313,679)
<p>Internal service funds are used by management to charge the costs of certain worker's compensation claims. The assets and liabilities of the internal service fund is included in the governmental activities in the statement of net assets</p>		
		<u>312,040</u>
Net Position of Governmental Activities (Exhibit A-1)		<u>\$ 1,137,691</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local sources:					
Property Tax Levy	\$ 43,322,625			\$ 1,792,063	\$ 45,114,688
Tuition	100,734				100,734
Miscellaneous	265,914	\$ 272,704	\$ 1,500	-	540,118
Total - Local Sources	43,689,273	272,704	1,500	1,792,063	45,755,540
State Sources	54,574,078	4,891,650		1,178,412	60,644,140
Federal Sources	377,854	6,540,781	-	-	6,918,635
Total Revenues	98,641,205	11,705,135	1,500	2,970,475	113,318,315
EXPENDITURES					
Instruction					
Regular	40,568,475	5,370,049			45,938,524
Special Education	12,607,367	1,418,507			14,025,874
Other Instruction	1,830,523	70,028			1,900,551
School Sponsored Activities and Athletics	1,149,205	230,675			1,379,880
Support Services					
Student and Instruction Related Services	11,228,609	3,737,037			14,965,646
General Administrative Services	2,009,042	-			2,009,042
School Administrative Services	8,046,981				8,046,981
Central Administrative Services	3,355,996				3,355,996
Plant Operations and Maintenance	7,472,616	-			7,472,616
Pupil Transportation	4,293,666				4,293,666
Debt Service					
Principal	2,516,336	1,044,729		1,405,000	4,966,065
Interest	243,856	135,186		1,565,475	1,944,517
Capital Outlay	9,730,630	577,598	3,130,799	-	13,439,027
Total Expenditures	105,053,302	12,583,809	3,130,799	2,970,475	123,738,385
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(6,412,097)	(878,674)	(3,129,299)	-	(10,420,070)
OTHER FINANCING SOURCES(USES)					
Capital Financing Agreement Proceeds	1,837,669				1,837,669
Leases Issued	6,162,859		-		6,162,859
Insurance Recoveries	502,433				502,433
Transfers In	1,419	604,740			606,159
Transfers Out	(604,740)	-	(1,419)	-	(606,159)
Total Other Financing Sources(Uses)	7,899,640	604,740	(1,419)	-	8,502,961
Net Change in Fund Balances	1,487,543	(273,934)	(3,130,718)	-	(1,917,109)
Fund Balance (Deficit), Beginning of Year	5,670,466	(72,864)	3,199,498	-	8,797,100
Fund Balance (Deficit), End of Year	\$ 7,158,009	\$ (346,798)	\$ 68,780	\$ -	\$ 6,879,991

The accompanying Notes to Financial Statements are an integral part of this statement.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
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, 2022**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (1,917,109)**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the period.

Capital Outlays	\$ 13,439,027	
Depreciation Expense	<u>(5,954,708)</u>	7,484,319

The issuance of long term debt provides current financial resources to governmental funds, however these transactions have no effect in the statement activities.

Capital Financing Agreement Proceeds	(1,837,669)	
Leases Issued	<u>(6,162,859)</u>	(8,000,528)

Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Bond Principal	1,405,000	
Capital Financing Agreements Principal	1,561,488	
Lease Principal	1,583,334	
State Aid Advance Loan Principal	<u>416,243</u>	4,966,065

Governmental funds report the proceeds from premiums on long-term debt when they are first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of Premium		55,932
-------------------------	--	--------

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when paid. The accrued interest is a decrease to the reconciliation. (+)

7,205

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) and pension expense are measured by the amounts earned or incurred during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned or incurred amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned or incurred amount the difference is an addition to the reconciliation (+).

Net Increase in Compensated Absences	(33,220)	
Net Decrease in Pension Expense	<u>2,233,497</u>	2,200,277

Internal service funds are used by management to charge the costs of certain worker's compensation claims to individual funds. The net revenue or (expenses) of certain activities of internal service funds is reported with governmental activities.

34,649

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 4,830,810**

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2022**

	<u>Business-Type Activities Enterprise Fund</u>	<u>Internal Service Fund Worker's Compensation Self-Insurance Fund</u>
	<u>Food Service</u>	
ASSETS		
Cash and Cash Equivalents	\$ 1,765,930	\$ 330,339
Intergovernmental Receivable	282,109	
Other Accounts Receivable	141,419	
Inventories	35,586	-
	<hr/>	<hr/>
Total Current Assets	2,225,044	330,339
Capital Assets		
Land Improvements	394,514	
Equipment	775,151	
Accumulated Depreciation	(788,809)	-
	<hr/>	<hr/>
Total Capital Assets, Net	380,856	-
	<hr/>	<hr/>
Total Assets	2,605,900	330,339
LIABILITIES		
Current Liabilities		
Accounts Payable	307,997	
Due To Other Funds	107,700	-
Claims and Judgements Payable		13,942
Accrued Liability for Insurance Claims		4,357
Unearned Revenue	14,104	-
	<hr/>	<hr/>
Total Current Liabilities	429,801	18,299
DEFERRED INFLOWS OF RESOURCES		
Deferred Commodities Revenue	12,260	-
	<hr/>	<hr/>
Total Liabilities and Deferred Inflows of Resources	442,061	18,299
NET POSITION		
Investment in Capital Assets	380,856	
Unrestricted	1,782,983	312,040
	<hr/>	<hr/>
Total Net Position	\$ 2,163,839	\$ 312,040

The accompanying Notes to Financial Statements are an integral part of this statement.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUND
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities Enterprise Fund	Internal Service Fund Worker's Compensation Self-Insurance Fund
	Food Service	
OPERATING REVENUES		
Local Sources		
Daily Sales - Reimbursable Programs	\$ 121,871	
Daily Sales - Non-Reimbursable Programs	27,055	
Miscellaneous Revenue	-	\$ 94,240
	148,926	94,240
Total Operating Revenues	148,926	94,240
OPERATING EXPENSES		
Salaries and Employee Benefits	1,483,286	
Cost of Sales - Reimbursable Programs	1,346,414	
Cost of Sales - Non-Reimbursable Programs	10,584	
Repairs & Maintenance	46,783	
Supplies and Materials	369,600	
Other Purchased Services	80,711	
Insurance	29,209	
Management Fee	85,448	
Miscellaneous Expense	86,704	
Worker's Compensation Claims		59,981
Depreciation	46,848	-
	3,585,587	59,981
Total Operating Expenses	3,585,587	59,981
Operating Income (Loss)	(3,436,661)	34,259
Nonoperating Revenues		
State Sources		
State School Lunch Program	58,846	
Federal Sources		
Food Distribution Program (USDA Commodities)	170,269	
Summer Food Service Program	216,206	
School Breakfast Program	728,260	
National School Lunch Program	2,507,051	
Pandemic EBT Administrative Costs	3,135	
Donations	1,500	
Interest Earnings	1,765	390
	3,687,032	390
Total Nonoperating Revenues	3,687,032	390
Changes in Net Position	250,371	34,649
Total Net Position, Beginning of Year	1,913,468	277,391
Total Net Position, End of Year	\$ 2,163,839	\$ 312,040

The accompanying Notes to Financial Statements are an integral part of this statement.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities Enterprise Fund	Internal Service Fund Worker's Compensation Self-Insurance Fund
	Food Service	
Cash Flows from Operating Activities		
Cash Received from Customers	\$ 190,885	
Cash Received From Other Sources		\$ 94,240
Cash Payments for Employees Salaries and Benefits	(1,483,286)	
Cash Payments to Suppliers for Goods and Services	(1,788,595)	(56,792)
Net Cash Provided by (Used for) Operating Activities	(3,080,996)	37,448
Cash Flows from Noncapital Financing Activities		
Cash Received from Donation	1,500	
Cash Received from (paid to) Other Funds	107,673	
Cash Received from State and Federal Subsidy Reimbursements	3,540,980	-
Net Cash Provided by (Used for) Noncapital Financing Activities	3,650,153	-
Cash Flows from Capital and Related Financing Activities		
Acquisition and Construction of Capital Assets	(388,834)	-
Net Cash (Used for) Capital and Related Financing Activities	(388,834)	-
Cash Flows from Investing Activities		
Interest Earnings Received	1,765	390
Net Cash Provided by Investing Activities	1,765	390
Net Increase in Cash and Cash Equivalents	182,088	37,838
Cash and Cash Equivalents, Beginning of Year	1,583,842	292,501
Cash and Cash Equivalents, End of Year	\$ 1,765,930	\$ 330,339
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Operating Income (Loss)	\$ (3,436,661)	\$ 34,259
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	46,848	
Non-Cash Federal Assistance-Food Distribution Program	170,269	
Change in Assets, Liabilities and Deferred Inflows of Resources		
(Increase)/Decrease in Accounts Receivable	43,867	
(Increase)/Decrease in Inventory	1,588	
Increase/(Decrease) in Accounts Payable	97,623	
Increase/(Decrease) in Claims and Judgements Payable		2,699
Increase/(Decrease) in Accrued Liability for Insurance Claims		490
Increase/(Decrease) in Unearned Revenue	(1,908)	
Increase/(Decrease) in Deferred Commodities Revenue	(2,622)	-
Total Adjustments	355,665	3,189
Net Cash Provided by (Used For) Operating Activities	\$ (3,080,996)	\$ 37,448
Non-Cash Invest, Capital and Financing Activities:		
Value Received - Food Distribution Program	\$ 167,647	
Construction of Capital Assets on Account	5,680	

The accompanying Notes to Financial Statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Belleville Township School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent of Schools to the Board

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Belleville Township School 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; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or 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. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2022, the District adopted the following GASB statements:

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB Statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement 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.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no fiduciary funds.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

Additionally, the District reports the following fund type:

The *internal service fund* accounts for the activities of the District's self-insured worker's compensation program with provides coverages to other departments or programs of the District, on a cost reimbursement basis.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements and leases payable for intangible right-to-use leased assets are reported as other financing sources.

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. *Cash, Cash Equivalents and Investments*

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. *Receivables*

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

4. Restricted Assets

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and their use is limited by Capital Financing Agreements for certain projects.

5. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost except for intangible right-to-use leased assets the measurement of which is discussed in Note 1. E.10. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Right-to-use Leased Land Improvements	2
Buildings	45-50
Right-to-use Leased Buildings	2-5
Building Improvements	10-25
Heavy Equipment	10-20
Office Equipment and Furniture	5
Computer Equipment	5
Right-to-use Leased Equipment	2-5

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items which arise only under the accrual basis of accounting that qualify for reporting in this category. Accordingly, one item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

7. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

8. Pensions

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. Leases

Non-cancellable leases for the use of buildings and equipment are recognized as a lease liability and an intangible right-to-use lease asset in the district-wide and proprietary fund type financial statements. The District recognizes lease liabilities with an initial, individual value of \$2,000 or more. The lease liability is subsequently reduced by the principal portion of lease payments made each year. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the asset's useful life. Leases are monitored for changes in circumstances that would require a remeasurement of the lease and the lease assets and liabilities are remeasured if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

In the fund financial statements leases payable are recognized as other financing sources at the initial amount of the lease liability. Intangible right-to-use leased assets are reported as capital outlay expenditures.

10. Financing Agreements

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

11. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Debt premiums are deferred and amortized over the life of the debt using the effective interest method. Debts payable are reported with the unamortized debt premium. Issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize debt premiums, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. Net Position/Fund Balance

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets 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.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

12. Net Position/Fund Balance (Continued)

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2C).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2022/2023 District budget certified for taxes.

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2D).

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4A).

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

12. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Insurance Recovery Expenditures - Represents fund balance assigned specifically for future expenditures to be funded from available insurance recovery proceeds in the General Fund.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

13. *Fund Balance Policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. *Tuition Revenues and Expenditures*

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2020-2021 and 2021-2022 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the food service enterprise fund, and of the district’s internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$16,303,645. The increase was funded by the additional appropriation of capital reserve, grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$2,754,233 in the General Fund and \$486,395 in the Special Revenue Fund as of June 30, 2022 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2021/2022 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General and Special Revenue Fund deficits do not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficits in the GAAP (fund) financial statements of \$2,754,223 in the General Fund and \$486,395 in the Special Revenue Fund are less than the delayed state aid payments at June 30, 2022.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the reserve cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$ 5,078,072
Increased by:		
Interest on Capital Reserve	\$ 5,000	
Return of Unexpended Withdrawals	13,615	
Deposits Approved by State Monitor	<u>1,750,000</u>	
		<u>1,768,615</u>
		6,846,687
Decreased by:		
Withdrawals Approved in District Budget	\$ 750,000	
Withdrawals Approved by Board Resolution	<u>2,458,772</u>	
		<u>3,208,772</u>
Balance, June 30, 2022		<u>\$ 3,637,915</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$722,935 of the capital reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

D. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

The activity of the maintenance reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$ 1,000,000
Increased by:		
Interest on Maintenance Reserve	\$ 2,500	
Deposits Approved by State Monitor	<u>366,028</u>	
		<u>368,528</u>
Balance, June 30, 2022		\$ <u>1,368,528</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,833,220.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2022, the book value of the Board's deposits were \$6,792,982 and bank and brokerage firm balances of the Board's deposits amounted to \$7,332,913. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 5,743,672
Uninsured and Collateralized	<u>1,589,241</u>
	\$ <u>7,332,913</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2022 the Board’s bank balance of \$1,589,241 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	\$ <u>1,589,241</u>
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Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law,” (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2022, the Board had the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
U.S. Government Securities:	
NJ ARM Managed Account (U.S. Treasury Notes)	\$ 698,846
BNY Mellon Invesco Treasury Fund (U.S. Treasury Obligations)	<u>21,517</u>
	<u>\$ 720,363</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2022, \$720,363 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Collateralized:	
Collateral held by pledging financing institutions' trust department or agent but not in the Board's name	\$ <u>720,363</u>

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices. As of June 30, 2022, the Board’s investment in NJ ARM and BNY Mellon were rated AAAM and AAAM, respectively by Standard and Poor’s Global Ratings.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Board’s investments are in NJ Asset Rebate Management Program (NJARM). These investments are 97% of the District’s total investments.

Fair Value of Investments. The Belleville Township School District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by NJ ARM and Bank of New York Mellon. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2022 are categorized as Level 2.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2022 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental				
Local	\$ 2,112,956			\$ 2,112,956
State	212,755	\$ 991,889	\$ 5,096	1,209,740
Federal	6,726	3,959,571	277,013	4,243,310
Accounts	<u>1,124,495</u>	<u>3,103</u>	<u>141,419</u>	<u>1,269,017</u>
Gross Receivables	3,456,932	4,954,563	423,528	8,835,023
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 3,456,932</u>	<u>\$ 4,954,563</u>	<u>\$ 423,528</u>	<u>\$ 8,835,023</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 44,080
Grant Draw Down Reserve for Encumbrances	<u>1,716,865</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 1,760,945</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance <u>July 1, 2021</u> (Restated)	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 596,288	\$ 201,080		\$ 797,368
Construction in Progress	<u>4,949,916</u>	<u>486,980</u>	\$ (4,949,516)	<u>487,380</u>
Total Capital Assets, Not Being Depreciated	<u>5,546,204</u>	<u>688,060</u>	<u>(4,949,516)</u>	<u>1,284,748</u>
Capital Assets, Being Depreciated:				
Land Improvements	791,789	375,027		1,166,816
Right-to-use Leased Land Improvements	35,436			35,436
Building and Building Improvements	67,826,673	10,687,114		78,513,787
Right-to-use Leased Buildings	5,255,998	6,063,266		11,319,264
Machinery and Equipment	5,251,020	475,483	-	5,726,503
Right-to-use Leased Equipment	<u>754,187</u>	<u>99,593</u>	-	<u>853,780</u>
Total Capital Assets Being Depreciated	<u>79,915,103</u>	<u>17,700,483</u>	<u>-</u>	<u>97,615,586</u>
Less Accumulated Depreciation for:				
Land Improvements	(124,574)	(91,253)	-	(215,827)
Right-to-use Leased Land Improvements	(7,875)	(23,624)		(31,499)
Buildings and Improvements	(17,123,295)	(3,731,396)	-	(20,854,691)
Right-to-use Leased Buildings	(797,294)	(1,596,482)		(2,393,776)
Machinery and Equipment	(3,993,924)	(348,444)	-	(4,342,368)
Right-to-use Leased Equipment	<u>(25,139)</u>	<u>(163,509)</u>	<u>-</u>	<u>(188,648)</u>
Total Accumulated Depreciation	<u>(22,072,101)</u>	<u>(5,954,708)</u>	<u>-</u>	<u>(28,026,809)</u>
Total Capital Assets, Being Depreciated, Net	<u>57,843,002</u>	<u>11,745,775</u>	<u>-</u>	<u>69,588,777</u>
Governmental Activities Capital Assets, Net	<u>\$ 63,389,206</u>	<u>\$ 12,433,835</u>	<u>\$ (4,949,516)</u>	<u>\$ 70,873,525</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2021	Increases	Decreases	Balance, June 30, 2022
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Land Improvement		\$ 394,514		\$ 394,514
Equipment	\$ 775,151	-	\$ -	775,151
Total Capital Assets Being Depreciated	<u>775,151</u>	<u>394,514</u>	<u>-</u>	<u>1,169,665</u>
Less Accumulated Depreciation for:				
Land Improvement		(39,451)		(39,451)
Equipment	(741,961)	(7,397)	-	(749,358)
Total Accumulated Depreciation	<u>(741,961)</u>	<u>(46,848)</u>	<u>-</u>	<u>(788,809)</u>
Total Capital Assets, Being Depreciated, Net	<u>33,190</u>	<u>347,666</u>	<u>-</u>	<u>380,856</u>
Business-Type Activities Capital Assets, Net	<u>\$ 33,190</u>	<u>\$ 347,666</u>	<u>\$ -</u>	<u>\$ 380,856</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:

Instruction	
Regular	\$ 395,515
Total Instruction	<u>395,515</u>

Support Services

Student and Instruction Related Services	23,365
General Administrative	53,980
School Administrative Services	3,740
Plant Operations and Maintenance	5,229,379
Pupil Transportation	248,729
Total Support Services	<u>5,559,193</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 5,954,708</u>
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Business-Type Activities:

Food Service Fund	<u>\$ 46,848</u>
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Total Depreciation Expense - Business-Type Activities	<u>\$ 46,848</u>
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**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects and other significant commitments as of June 30, 2022:

<u>Project</u>	<u>Remaining Commitment</u>
BHS Gym / Bleacher Project	\$ 172,450
Purchase and Installment of Playground Equipment	786,572
Purchase of Property (333-335 Ralph Street)	525,000
Purchase of Property (259-265 Washington Avenue)	697,635
Acquisition of Electric Buses	814,604
Air Conditioning Project	305,133
Toilet Renovation Project	209,458
Instructional Technology Teaching Supplies	<u>507,464</u>
	<u>\$ 4,018,316</u>

Insurance Proceeds

The District had insurance policies in effect at the time of Hurricane Ida for comprehensive property damage (including flood), casualty, business interruption and other coverages. As of June 30, 2022, the insurers have remitted \$502,433. These funds are recorded as other financing sources in the General Fund as of June 30, 2022. As of June 30, 2022, \$19,801 of the proceeds are unspent and have been reported as Assigned Fund Balance as the District has constrained these funds to be used to replace the items specified in the insurance claim. The District estimates that a significant portion of the Hurricane Ida related losses will be covered through grants from the Federal Emergency Management Association (FEMA) and through additional insurance recoveries.

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue	\$ 2,853,014
General Fund	Capital Projects Fund	455,419
General Fund	Food Service Fund	<u>107,700</u>
Total		<u>\$ 3,416,133</u>

The above balances are the result of revenues earned in one fund which are due to another fund, expenditures paid by one fund on behalf of another fund or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers

	<u>Transfer In:</u>		
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Transfer Out:			
General Fund		\$ 604,740	\$ 604,740
Capital Projects Fund	\$ 1,419	-	1,419
	<u>\$ 1,419</u>	<u>\$ 604,740</u>	<u>\$ 606,159</u>

The above transfers are the result of revenues earned in one fund to finance expenditures in another fund.

F. Leases Payable

On February 1, 2020, the District entered into a five year lease agreement as lessee for the use of a building. An initial lease liability was recorded in the amount of \$1,391,309. The lease has an interest rate of 3.00%. The District is required to make monthly payments of \$25,000. At the conclusion of the initial five year lease term the District has the option to renew the lease for an additional five years. As of June 30, 2022 the value of the lease liability was \$744,835. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$1,391,309 and had accumulated depreciation of \$672,466.

On January 1, 2021, the District entered into a five year lease agreement as lessee for the use of a building. An initial lease liability was recorded in the amount of \$1,208,432. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$13,300 to \$23,700. At the conclusion of the initial five year lease term the District has the option to renew the lease. As of June 30, 2022 the value of the lease liability was \$920,025. The building has a five year estimated useful life. The value of the right -to-use asset as of June 30, 2022 is \$1,208,432 and had accumulated depreciation of \$362,530.

On January 1, 2021, the District entered into a five year lease agreement as lessee for the use of a building. An initial lease liability was recorded in the amount of \$2,515,391. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$16,700 to \$52,500. At the conclusion of the initial five year lease term the District has the option to renew the lease. As of June 30, 2022 the value of the lease liability was \$2,010,710. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$2,515,391 and had accumulated depreciation of \$754,617.

On January 1, 2021, the District entered into a five year lease agreement as lessee for the use of a building. An initial lease liability was recorded in the amount of \$140,866. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$2,500. At the conclusion of the initial five year lease term the District has the option to renew the lease. As of June 30, 2022 the value of the lease liability was \$100,437. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$140,866 and had accumulated depreciation of \$42,260.

On March 1, 2021, the District entered into an eighteen month lease agreement as lessee for the use of a parking area. An initial lease liability was recorded in the amount of \$35,436. The lease has an interest rate of 2.00%. The District is required to make monthly payments of \$2,000. As of June 30, 2022 the value of the lease liability was \$3,990. The land has a 1 1/2 year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$35,436 and had accumulated depreciation of \$31,498.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases Payable (Continued)

On January 1, 2022, the District entered into a five year lease agreement as lessee for the use of a building. An initial lease liability was recorded in the amount of \$3,567,060. The lease has an interest rate of 3.00%. The District is required to make monthly payments of \$61,000 to \$68,000. At the conclusion of the initial five year lease term the District has the option to renew the lease. As of June 30, 2022 the value of the lease liability was \$3,252,606. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$3,567,060 and had accumulated depreciation of \$356,706.

On May 1, 2021, the District entered into a five year lease agreement as lessee for the use of photo copiers. An initial lease liability was recorded in the amount of \$754,187. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$9,040 to \$13,715. In addition, the District has the option to purchase the equipment for fair market value at the end of the lease term. As of June 30, 2022 the value of the lease liability was 588,543. The equipment has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$754,187 and had accumulated depreciation of \$175,976.

On July 1, 2021, the District entered into a five year lease agreement as lessee for the use of a building. An initial lease liability was recorded in the amount of \$166,222. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$2,950. At the conclusion of the initial five year lease term the District has the option to renew the lease. As of June 30, 2022 the value of the lease liability was 134,617. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$166,222 and had accumulated depreciation of \$49,876.

On November 1, 2021, the District entered into a fifty-five month lease agreement as lessee for the use of photo copiers. An initial lease liability was recorded in the amount of \$63,246. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$1,218. In addition, the District has the option to purchase the equipment for fair market value at the end of the lease term. As of June 30, 2022 the value of the lease liability was 54,490. The equipment has a 4.6 year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$63,246 and had accumulated depreciation of \$9,199.

The future principal and interest lease payments as of June 30, 2022 were as follows:

Governmental Activities:

Year Ended June 30,	<u>Leases Payable</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 2,378,398	\$ 263,312	\$ 2,641,710
2024	2,495,508	193,072	2,688,580
2025	2,505,712	120,226	2,625,938
2026	1,933,530	52,577	1,986,107
2027	761,028	8,227	769,255
	<u>\$ 10,074,176</u>	<u>637,414</u>	<u>\$ 10,711,590</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

Capital financing agreements at June 30, 2022 are comprised of the following:

\$3,226,000 fiscal year 2020 Agreement for the installation of a turf field and various High School building improvements for a term of 5 years due in annual principal installments of \$639,000 to \$704,000 through October 1, 2024 interest at 4.00 to 5.00%	\$ 2,013,000
\$698,034, fiscal year 2021 Agreement for the installation of a security camera system for a term of 3 1/2 years due in annual principal installments of \$229,434 to \$235,848 through July 15, 2023 interest at 2.78%	465,282
\$57,032, fiscal year 2021 Agreement for the acquisition of a school bus for a term of 3 years due in a final annual principal installment of \$19,041 on August 15, 2022 interest at 2.10%	19,041
\$121,821, fiscal year 2021 Agreement for the acquisition of school buses for a term of 4 years due in annual principal installments of \$23,896 to \$24,908 through November 15, 2024 interest at 2.10%	73,201
\$226,432, fiscal year 2021 Agreement for the acquisition of school buses for a term of 4 years due in annual principal installments of \$44,398 to \$46,279 through November 15, 2024 interest at 2.10%	136,007
\$1,402,792, fiscal year 2022 Agreement for information technology infrastructure upgrades for a term of 5 years due in annual principal installments of \$219,386 to \$242,540 through July 31, 2026 interest at 2.54%	1,154,091

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

\$718,136, fiscal year 2022 Agreement for the installation of a security camera system for a term of 5 years due in annual principal installments of \$137,031 to \$150,258 through July 31, 2026 interest at 3.11%	<u>\$ 718,136</u>
Total	<u>\$ 4,578,758</u>

The unexpended proceeds from the capital financing agreements, in the amount of \$27,693 at June 30, 2022 are held with the respective fiscal agents.

The maturity schedule of the remaining capital financing agreement payments for principal and interest is as follows:

Governmental Activities:

Year Ended <u>June 30,</u>	<u>Capital Financing Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 1,318,985	\$ 142,906	\$ 1,461,891
2024	1,337,566	125,853	1,463,419
2025	1,147,165	50,767	1,197,932
2026	382,245	21,401	403,646
2027	<u>392,797</u>	<u>10,847</u>	<u>403,644</u>
	<u>\$ 4,578,758</u>	<u>351,774</u>	<u>\$ 4,930,532</u>

H. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2022 are comprised of the following issues:

\$48,536,000, 2018 Bonds, due in annual installments of \$1,450,000 to \$2,740,000 through September 1, 2042 interest at 3.00% to 4.00%	<u>\$43,235,000</u>
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**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt (Continued)

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Year Ended <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 1,450,000	\$ 1,522,650	\$ 2,972,650
2024	1,495,000	1,478,475	2,973,475
2025	1,540,000	1,432,950	2,972,950
2026	1,585,000	1,386,075	2,971,075
2027	1,635,000	1,337,775	2,972,775
2028-2032	8,980,000	5,904,138	14,884,138
2033-2037	10,765,000	4,244,150	15,009,150
2038-2042	13,045,000	1,886,900	14,931,900
2043	<u>2,740,000</u>	<u>54,800</u>	<u>2,794,800</u>
	<u>\$ 43,235,000</u>	<u>19,247,913</u>	<u>\$ 62,482,913</u>

State Aid Advance Loan Payable

In March 2015, the Board entered into a loan agreement with the State of New Jersey in the amount of \$4,162,426 pursuant to N.J.S.A. 18A:7A-56 in the form of an advancement of state aid to provide funds to eliminate the unassigned budgetary fund deficit in the General Fund. The State aid advance loan is being repaid by the school district through automatic reductions in the State aid provided to the school district in each year. The term of the loan repayment is ten (10) years which began in the 2015/2016 school year at a minimum amount of \$416,243 per year, but may be for a shorter term as determined by the State Treasurer. At any time during the term of the repayment the State Treasurer, in consultation with the Commissioner of Education, may determine to impose interest on the unpaid balance. The State Treasurer has not imposed interest during the 2021/2022 school year.

The Board's schedule of principal and interest for the State Aid Advance Loan outstanding is as follows:

Year Ended <u>June 30,</u>	<u>State Aid Advance Loan</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 416,243		\$ 416,243
2024	416,243		416,243
2025	<u>416,239</u>	<u>-</u>	<u>416,239</u>
Totals	<u>\$ 1,248,725</u>	<u>\$ -</u>	<u>\$ 1,248,725</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt (Continued)

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2022 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 130,574,228
Less: Net Debt Issued and Authorized But Not Issued	<u>43,235,601</u>
Remaining Borrowing Power	<u>\$ 87,338,627</u>

I. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Restated Balance, July 1, 2021	Additions	Reductions	Balance, June 30, 2022	Due Within One Year
Governmental Activities:					
Serial Bonds	\$ 44,640,000	-	\$ 1,405,000	\$ 43,235,000	\$ 1,450,000
Capital Financing Agreements	4,302,577	\$ 1,837,669	1,561,488	4,578,758	1,318,985
Premium on Capital Financing Agreements	<u>174,725</u>	<u>-</u>	<u>55,932</u>	<u>118,793</u>	<u>-</u>
Total Capital Leases	<u>4,477,302</u>	<u>1,837,669</u>	<u>1,617,420</u>	<u>4,697,551</u>	<u>1,318,985</u>
Leases Payable	5,494,651	\$ 6,162,859	1,583,334	10,074,176	2,378,398
State Aid Advance Loan Payable	1,664,968		416,243	1,248,725	416,243
Compensated Absences	3,473,472	122,899	89,679	3,506,692	100,000
Net Pension Liability	<u>11,542,687</u>	<u>-</u>	<u>2,991,152</u>	<u>8,551,535</u>	<u>-</u>
Governmental Activity Long-term Liabilities	<u>\$ 71,293,080</u>	<u>\$ 8,123,427</u>	<u>\$ 8,102,828</u>	<u>\$ 71,313,679</u>	<u>\$ 5,663,626</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, the liabilities for capital financing agreements, state aid advance loan, compensated absences and net pension liability are generally liquidated by the general fund.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

For fiscal years prior to July 1, 2014 the District was self-insured for its worker's compensation plan for its employees. It has subsequent obtain worker's compensation insurance through the New Jersey Schools Insurance Group. Transactions related to the previous self-insurance plan are accounted for in the Internal Service Fund. The District funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$450,000 for any one accident or occurrence, with any excess of this amount being covered by insurance policies to the statutory limit.

Estimates of claims payable and of claims incurred, but not reported (IBNR) at June 30, 2022, are reported as claims and judgments payable and accrued liability for insurance claims, respectively. These estimates were determined based on claim information supplied by the claims administrator and actuary. The unpaid claims liability of \$18,299 reported at June 30, 2022 is based on the requirements of the Governmental Accounting Standards Board which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the balances of claims liabilities for the worker's compensation plan for the fiscal years ended June 30, 2022 and 2021 are as follows:

Governmental Activities:	<u>Fiscal Year Ended</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Unpaid Claims, Beginning of Year	\$ 15,110	\$ 93,259
Incurred Claims (Including IBNR)	59,981	140,702
Claim Payments	<u>(56,792)</u>	<u>(218,851)</u>
Unpaid Claims, End of Year	<u>\$ 18,299</u>	<u>\$ 15,110</u>

The District is a member of the New Jersey Schools Insurance Group (NJSIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims. In addition, the Group provides various types of insurance coverages and risk management services to member districts.

The relationship between the Board and the Group is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the Group, to report claims on a timely basis, cooperate with the management of the Group, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the Group. Members have a contractual obligation to fund any deficit of the Group attributable to a membership year during which they were a member.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

NJSIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

Fiscal Year Ended June 30,	District Contributions	Employee Contributions	Interest Earnings	Amount Reimbursed	Ending Balance
2022	\$ -	\$ 82,454	\$ 219	\$ 82,349	\$ 204,511
2021	158,044	68,019	23	-	204,292
2020	-	67,140	156	52,230	46,225

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2022, the District has not estimated its arbitrage earnings due to the IRS, if any.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

Public Employees’ Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

Teachers’ Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members’ beneficiaries are entitled to full interest credited to the members’ accounts.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The following represent the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2021 is \$12.0 billion and the plan fiduciary net position as a percentage of the total pension liability is 70.33%. The collective net pension liability of the State funded TPAF at June 30, 2021 is \$48.2 billion and the plan fiduciary net position as a percentage of total pension liability is 35.52%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2020 which were rolled forward to June 30, 2021.

Actuarial Methods and Assumptions

In the July 1, 2020 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2022.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2022 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2022, 2021 and 2020 were equal to the required contributions.

During the fiscal years ended June 30, 2022, 2021 and 2020 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2022	\$ 845,384	\$ 12,793,589	\$ 80,374
2021	774,320	8,845,691	52,324
2020	662,003	6,377,170	64,214

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$0, \$0 and \$1,635, respectively for PERS and the State contributed \$4,510, \$4,874 and \$4,653, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,761,668 during the fiscal year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2020 through June 30, 2021. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits ("Division") administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2021 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2021.

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$8,551,535 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2021. At June 30, 2021, the District's proportionate share was .07219 percent, which was an increase of .00141 percent from its proportionate share measured as of June 30, 2020 of .07078 percent.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$1,388,113 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 134,869	\$ 61,219
Changes of Assumptions	44,536	3,044,402
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		2,252,699
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>668,583</u>	<u>503,575</u>
Total	<u>\$ 847,988</u>	<u>\$ 5,861,895</u>

At June 30, 2022, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (1,887,025)
2024	(1,497,005)
2025	(1,242,777)
2026	(667,375)
2027	280,275
Thereafter	<u>-</u>
	<u>\$ (5,013,907)</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District’s total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% Based on Years of Service
Thereafter	3.00%-7.00% Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 11,645,457</u>	<u>\$ 8,551,535</u>	<u>\$ 5,925,904</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2021. A sensitivity analysis specific to the District's net pension liability at June 30, 2021 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2020 through June 30, 2021. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2021, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$3,378,084 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the net pension liability attributable to the District is \$143,562,309. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was .29862 percent, which was an increase of .01299 percent from its proportionate share measured as of June 30, 2020 of .28563 percent.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55% Based on Years of Service
Thereafter	2.75%-5.65% Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 169,858,192</u>	<u>\$ 143,562,309</u>	<u>\$ 121,475,420</u>

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2021. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2021 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member’s employer does not provide this coverage. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2020:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>149,304</u>
Total	<u>366,108</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2021 is \$60.0 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2020 which were rolled forward to June 30, 2021.

Actuarial Methods and Assumptions

In the June 30, 2020 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2021.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2022, 2021 and 2020 were \$2,989,099, \$2,772,102 and \$2,365,813, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2020 through June 30, 2021. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$9,447,679. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State’s proportionate share of the OPEB liability attributable to the District is \$167,812,631. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state’s share of the OPEB liability attributable to the District was .27965 percent, which was an increase of .00465 percent from its proportionate share measured as of June 30, 2020 of .27500 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%	
Salary Increases*	<u>PERS</u>	<u>TPAF</u>
Initial Fiscal Year Applied Through	2026	2026
Rate	2.00% to 6.00%	1.55% to 4.45%
Rate Thereafter	3.00% to 7.00%	2.75% to 5.65%

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disables retirees. Future disabled retirees was based on the Pub-2010 “General” (PERS) and “Teachers” (TPAF) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the plan upon retirement.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%

Discount Rate

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2020 Measurement Date	\$ 186,476,202
Changes Recognized for the Fiscal Year:	
Service Cost	8,677,373
Interest on the Total OPEB Liability	4,353,236
Changes in Benefit Terms	(178,616)
Differences Between Expected and Actual Experience	(28,363,284)
Changes of Assumptions	165,560
Gross Benefit Payments	(3,429,131)
Contributions from the Member	111,291
Net Changes	<u>\$ (18,663,571)</u>
Balance, June 30, 2021 Measurement Date	<u>\$ 167,812,631</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in 2020 to 2.16% in 2021.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.16%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	1% Decrease <u>(1.16%)</u>	Current Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 201,013,188	\$ 167,812,631	\$ 141,669,185

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 135,844,870	\$ 167,812,631	\$ 210,742,972

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 were not provided by the pension system.

F. Subsequent Events

Capital Financing Agreements

On July 31, 2022 the District entered into a capital financing agreement in the amount of \$1,117,367 for technology upgrades and equipment. The lease term is for 4 years 2 months at an interest rate of 4.20% with the first payment due September 31, 2022.

On August 15, 2022 the District entered into a capital financing agreement in the amount of \$242,636 for the acquisition of school buses. The lease term is for 4 years at an interest rate of 3.48% with the first payment due September 15, 2022.

On January 31, 2023 the District entered into a capital financing agreement in the amount of \$957,127 for network wiring and security system upgrades. The lease term is for 5 years at an interest rate of 6.71% with the first payment due January 31, 2024.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

F. Subsequent Events (Continued)

Shared Service Agreement

In September 2022 the District entered into a shared service agreement with the Township of Belleville for the shared use of a school facility project. The agreement provides for the joint acquisition of property within the Township and to provide such improvements thereof for both municipal and school projects. The project costs are estimated to be \$12,500,000 which will be financed by the Township through the issuance of bonds or bond anticipation notes and other available funds of the District. The District will pay the Township fees in the amount necessary for the Township to pay amounts due on such bonds or bond anticipation notes as provided in the shared service agreement.

Appropriation of Fund Balance

On September 19, 2022 the Board approved the appropriation of an additional \$775,000 of General Fund capital reserve fund balance to the 2022/2023 budget.

E. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential school tax revenue must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For Belleville Township School District, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

NOTE 5 RESTATEMENT

On July 1, 2021, the Belleville Township School District implemented GASB Statement No. 87 "Leases". The Belleville Township School District has determined that the effect of implementing this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2021 are as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2021 have been restated to reflect certain activities related to leases payable for the intangible right-to-use capital assets. The effect of this restatement is to decrease net position of governmental activities by \$314,963 from \$(3,378,156) as previously reported to \$(3,693,119) as of June 30, 2021.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States. As governments monitor the outbreaks, they have taken various steps to control them through requiring social distancing, masks and business closures and limited openings. As the virus appears to be under control in many areas, many of these restrictions have been lifted although the situation is monitored, sometimes restrictions are reinstated. Several vaccines have been developed and have been administered. Mutant variants have emerged in various places around the world and now are prevalent in the United States. Certain workers are being required to be vaccinated. Companies have developed booster shots, and current vaccines have proven substantially effective against all currently know variants. New treatments are also being developed to avert the worst outcomes. The assessment of the impact of the virus and the ability to control it and its mutant strains is ongoing.

In the State, Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. On June 4, 2021, the Governor signed legislation enabling the end of the public health emergency and keeping certain executive orders in place until January 1, 2022, though such executive orders may be modified or rescinded prior to that day by the Governor. The Board expects ongoing actions be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide. These negative impacts could reduce or negatively affect property values within the School District.

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$15,075,795 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 43,322,625		\$ 43,322,625	\$ 43,322,625	
Tuition From Other LEAs Within the State	-		-	100,734	\$ 100,734
Tuition From Other Sources	150,000		150,000	-	(150,000)
Interest on Maintenance Reserve	2,500		2,500	2,500	-
Interest on Capital Reserve	5,000		5,000	5,000	-
Interest on Unemployment Reserve	-		-	219	219
Interest Earnings	-		-	2,631	2,631
Unrestricted Miscellaneous Revenues	150,000	-	150,000	255,564	105,564
Total Local Revenues	43,630,125	-	43,630,125	43,689,273	59,148
State Sources					
Special Education Aid	3,112,840		3,112,840	3,112,840	
Equalization Aid	30,028,002		30,028,002	30,028,002	
Security Aid	1,686,624		1,686,624	1,686,624	
Transportation Aid	625,449		625,449	625,449	
Extraordinary Special Education Costs Aid	500,000		500,000	694,316	194,316
Additional Non-Public Transportation Aid	-		-	75,400	75,400
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				12,615,600	12,615,600
Pension - NCGI Premium				177,989	177,989
Post Retirement Medical Benefit Contribution				2,989,099	2,989,099
Long Term Disability Insurance				4,510	4,510
Reimbursed Social Security Contribution	-	-	-	2,761,668	2,761,668
Total State Revenues	35,952,915	-	35,952,915	54,771,497	18,818,582
Federal Sources					
Federal Emergency Management Agency (FEMA)	-			228,639	228,639
Special Education Medicaid Initiative Reimbursement	120,131	-	120,131	149,215	29,084
	120,131	-	120,131	377,854	257,723
Total Revenues	79,703,171	-	79,703,171	98,838,624	19,135,453
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	1,350,986	\$ (206,528)	1,144,458	1,144,458	-
Grades 1-5	7,196,005	(391,754)	6,804,251	6,790,467	13,784
Grades 6-8	5,021,677	(370,591)	4,651,086	4,650,873	213
Grades 9-12	9,116,973	(125,848)	8,991,125	8,986,125	5,000
Regular Programs - Home Instruction					
Salaries of Teachers	250,000	(109,127)	140,873	140,873	-
Purchased Professional-Educational Services	60,000	75,978	135,978	124,523	11,455
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	438,386	(249,303)	189,083	189,023	60
Purchased Professional-Educational Services	5,000	817,873	817,873	657,613	160,260
Purchased Technical Services	16,700	-	16,700	5,000	-
Other Purchased Services	1,051,109	-	1,051,109	9,014	7,686
General Supplies	315,000	684,849	1,735,958	954,981	780,977
Textbooks	10,000	(27,106)	287,894	287,728	166
Other Objects	-	(6,168)	3,832	3,484	348
Total Regular Programs	24,831,836	92,275	24,924,111	23,944,162	979,949
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	839,247	(82,770)	756,477	756,477	-
Other Salaries for Instruction	348,028	(138,355)	209,673	209,673	-
Total Learning / Language Disabilities	1,187,275	(221,125)	966,150	966,150	-

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Emotional Regulation Impairment					
Salaries of Teachers	\$ 331,190	\$ (101,887)	\$ 229,303	\$ 229,303	-
Other Salaries for Instruction	<u>135,218</u>	<u>(59,353)</u>	<u>75,865</u>	<u>75,865</u>	<u>-</u>
Total Emotional Regulation Impairment	<u>466,408</u>	<u>(161,240)</u>	<u>305,168</u>	<u>305,168</u>	<u>-</u>
Multiple Disabilities					
Salaries of Teachers	241,774	(16,079)	225,695	225,695	-
Other Salaries for Instruction	<u>84,678</u>	<u>(2,381)</u>	<u>82,297</u>	<u>82,297</u>	<u>-</u>
Total Multiple Disabilities	<u>326,452</u>	<u>(18,460)</u>	<u>307,992</u>	<u>307,992</u>	<u>-</u>
Resource Room / Resource Center					
Salaries of Teachers	3,245,414	84,878	3,330,292	3,329,467	\$ 825
Other Salaries for Instruction	<u>173,625</u>	<u>392,080</u>	<u>565,705</u>	<u>565,705</u>	<u>-</u>
Total Resource Room / Resource Center	<u>3,419,039</u>	<u>476,958</u>	<u>3,895,997</u>	<u>3,895,172</u>	<u>825</u>
Autism					
Salaries of Teachers	575,601	(70)	575,531	575,531	-
Other Salaries for Instruction	<u>383,611</u>	<u>(228,390)</u>	<u>155,221</u>	<u>155,221</u>	<u>-</u>
Total Autism	<u>959,212</u>	<u>(228,460)</u>	<u>730,752</u>	<u>730,752</u>	<u>-</u>
Preschool Disabilities - Full - Time					
Salaries of Teachers	-	256,782	256,782	256,782	-
Other Salaries for Instruction	<u>-</u>	<u>263,478</u>	<u>263,478</u>	<u>263,478</u>	<u>-</u>
Total Preschool Disabilities - Full - Time	<u>-</u>	<u>520,260</u>	<u>520,260</u>	<u>520,260</u>	<u>-</u>
Home Instruction					
Salaries of Teachers	<u>70,000</u>	<u>83,432</u>	<u>153,432</u>	<u>153,432</u>	<u>-</u>
Total Home Instruction	<u>70,000</u>	<u>83,432</u>	<u>153,432</u>	<u>153,432</u>	<u>-</u>
Total Special Education	<u>6,428,386</u>	<u>451,365</u>	<u>6,879,751</u>	<u>6,878,926</u>	<u>825</u>
Bilingual Education					
Salaries of Teachers	1,134,211	(20,050)	1,114,161	1,114,161	-
General Supplies	<u>7,000</u>	<u>(1,387)</u>	<u>5,613</u>	<u>5,613</u>	<u>-</u>
Total Bilingual Education	<u>1,141,211</u>	<u>(21,437)</u>	<u>1,119,774</u>	<u>1,119,774</u>	<u>-</u>
School Sponsored Co-Curricular Activities					
Salaries	254,912	(29,606)	225,306	225,306	-
Supplies and Materials	<u>-</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>-</u>
Total School Sponsored Co-Curricular Activities	<u>254,912</u>	<u>(29,506)</u>	<u>225,406</u>	<u>225,406</u>	<u>-</u>
School Sponsored Athletics - Instruction					
Salaries	504,091	(30,395)	473,696	473,060	636
Purchased Services	119,500	(59,890)	59,610	58,259	1,351
Supplies and Materials	85,250	378,620	463,870	84,373	379,497
Supplies and Materials - Insurance				8,133	(8,133)
Recovery Expenditures (Non-Budget)				57,421	24,587
Other Objects	<u>66,400</u>	<u>15,608</u>	<u>82,008</u>	<u>82,008</u>	<u>-</u>
Total School Sponsored Athletics - Instruction	<u>775,241</u>	<u>303,943</u>	<u>1,079,184</u>	<u>681,246</u>	<u>397,938</u>
Total - Instruction	<u>33,431,586</u>	<u>796,640</u>	<u>34,228,226</u>	<u>32,849,514</u>	<u>1,378,712</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction (Tuition)					
Tuition - Other LEA's Within State - Special	\$ 250,000	\$ 179,582	\$ 429,582	\$ 394,861	\$ 34,721
Tuition to County Vocational School District-Reg.	425,000	10,247	435,247	435,247	-
Tuition to County Vocational School/Dist.-Spec.	100,000	(21,807)	78,193	50,982	27,211
Tuition to County Special Services - School Districts & Regional Day Schools	450,000	(381,441)	68,559	66,909	1,650
Tuition to Private Schools - Disabled Within State	2,215,000	(871,154)	1,343,846	1,343,846	-
Total Undistributed Expenditures - Instruction (Tuition)	3,440,000	(1,084,573)	2,355,427	2,291,845	63,582
Health Services					
Salaries	836,727	(3,044)	833,683	833,682	1
Purchased Professional and Technical Services	72,500	13,373	85,873	53,857	32,016
Other Purchased Services	20,000	(12,202)	7,798	7,304	494
Supplies and Materials	24,200	117	24,317	23,723	594
Total Health Services	953,427	(1,756)	951,671	918,566	33,105
Speech, OT, PT and Related Services					
Salaries	848,898	106,437	955,335	949,260	6,075
Purchased Professional - Educational Services	800,000	(27,686)	772,314	767,954	4,360
Total Speech, OT, PT and Related Services	1,648,898	78,751	1,727,649	1,717,214	10,435
Other Support Services-Students-Extra Services					
Purchased Professional-Educational Services	750,000	(222,740)	527,260	491,145	36,115
Total Other Support Services-Extra	750,000	(222,740)	527,260	491,145	36,115
Guidance					
Salaries of Other Professional Staff	1,436,453	(5,189)	1,431,264	1,430,122	1,142
Salaries of Secretarial and Clerical Assistants	188,562	(16,319)	172,243	172,243	-
Purchased Professional-Educational Services	35,000	(26,655)	8,345	8,345	-
Supplies and Materials	16,250	382	16,632	15,815	817
Total Guidance	1,676,265	(47,781)	1,628,484	1,626,525	1,959
Child Study Team					
Salaries of Other Professional Staff	1,800,183	(161,011)	1,639,172	1,635,055	4,117
Salaries of Secretarial and Clerical Assistants	160,070	-	160,070	155,070	5,000
Other Purchased Professional and Technical Services	28,500	(1,108)	27,392	26,944	448
Other Purchased Services	-	2,000	2,000	-	2,000
Residential Costs	14,500	(14,500)	-	-	-
Supplies and Materials	97,598	22,225	119,823	105,416	14,407
Other Objects	1,500	(1,149)	351	325	26
Total Child Study Team	2,102,351	(153,543)	1,948,808	1,922,810	25,998
Improvement of Instruction Services					
Salaries of Other Professional Staff	120,000	27,039	147,039	147,039	-
Total Improvement of Instruction Services	120,000	27,039	147,039	147,039	-
Educational Media Services/School Library					
Salaries	340,294	5,248	345,542	345,542	-
Supplies and Materials	37,350	3,961	41,311	36,270	5,041
Total Educational Media Services/School Library	377,644	9,209	386,853	381,812	5,041

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Salaries of Other Professional Staff	-	\$ 10	\$ 10	\$ 10	-
Total Instructional Staff Training Services	-	10	10	10	-
Support Services General Administration					
Salaries	\$ 501,768	(43,498)	458,270	458,270	-
Salaries of State Monitors	90,000	(33,264)	56,736	56,736	\$ -
Repayment of Principal -NJ DOE Loan	416,243	-	416,243	416,243	-
Legal Services	275,000	2,000	277,000	238,074	38,926
Audit Fees	100,000	(6,767)	93,233	89,733	3,500
Architectural/Engineering Services	40,000	15,168	55,168	16,116	39,052
Other Purchased Professional Services	40,000	17,774	57,774	40,574	17,200
Communications/Telephone	55,000	26,308	81,308	79,453	1,855
BOE Other Purchased Services	-	35,864	35,864	35,264	600
Miscellaneous Purchased Services	450,000	14,959	464,959	462,859	2,100
General Supplies	10,000	192,142	202,142	199,882	2,260
Judgments Against the School District	700,000	(148,139)	551,861	15,824	536,037
Miscellaneous Expenditures	30,000	(16,549)	13,451	9,141	4,310
BOE Membership Dues and Fees	33,000	2,430	35,430	35,430	-
Total Support Services General Administration	2,741,011	58,428	2,799,439	2,153,599	645,840
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	2,220,264	(335,264)	1,885,000	1,885,000	-
Salaries of Other Professional Staff	1,638,327	379,132	2,017,459	2,017,459	-
Salaries of Secretarial and Clerical Assistants	1,005,188	91,168	1,096,356	1,096,356	-
Other Purchased Services	50,350	119,291	169,641	161,023	8,618
Supplies and Materials	118,000	95,944	213,944	192,264	21,680
Other Objects	-	1,148	1,148	1,148	-
Total Support Services School Administration	5,032,129	351,419	5,383,548	5,353,250	30,298
Central Services					
Salaries	704,029	76,734	780,763	780,763	-
Purchased Technical Services	40,000	16,798	56,798	53,896	2,902
Miscellaneous Purchased Services	47,000	23,538	70,538	60,601	9,937
Supplies and Materials	15,000	23,441	38,441	37,198	1,243
Interest on Lease Purchase Agreements	-	119,483	119,483	119,483	-
Miscellaneous Expenditures	15,000	21,321	36,321	34,460	1,861
Total Central Services	821,029	281,315	1,102,344	1,086,401	15,943
Administration Information Technology					
Salaries	475,553	(8,929)	466,624	466,624	-
Purchased Technical Services	465,000	525,377	990,377	893,951	96,426
Other Purchased Services	150,000	700,786	850,786	780,703	70,083
Supplies and Materials	110,000	452,057	562,057	448,691	113,366
Supplies and Materials - Insurance					
Recovery Expenditures (Non-Budget)	-	-	-	3,377	(3,377)
Total Administration Information Technology	1,200,553	1,669,291	2,869,844	2,593,346	276,498
Required Maintenance for School Facilities					
Salaries	827,983	(46,310)	781,673	779,646	2,027
Cleaning, Repair & Maintenance Services	152,000	35,817	187,817	176,912	10,905
General Supplies	470,500	381,806	852,306	530,294	322,012
Total Required Maintenance for School Facilities	1,450,483	371,313	1,821,796	1,486,852	334,944

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Custodial Services					
Salaries	\$ 2,605,989	\$ (207,098)	\$ 2,398,891	\$ 2,392,405	\$ 6,486
Cleaning, Repair and Maintenance Services	-	100,366	100,366	38,466	61,900
Rent of Land & Buildings Other Than Lease Purchase Agreement	450,000	(56,599)	393,401	393,401	-
Other Purchased Property Services	40,000	22,512	62,512	44,055	18,457
Insurance	330,000	29,750	359,750	359,750	-
Miscellaneous Purchased Services	1,000	50	1,050	50	1,000
General Supplies	16,750	(7,189)	9,561	9,561	-
Energy (Natural Gas)	345,000	(55,442)	289,558	289,558	-
Energy (Electricity)	430,000	174,140	604,140	604,140	-
Other Objects	3,500	447	3,947	1,920	2,027
Total Custodial Services	4,222,239	937	4,223,176	4,133,306	89,870
Care and Upkeep of Grounds					
Salaries	48,207	(6,269)	41,938	40,787	1,151
Cleaning, Repair and Maintenance Services	15,000	(6,028)	8,972	6,130	2,842
General Supplies	8,500	(1,072)	7,428	5,797	1,631
Total Care and Upkeep of Grounds	71,707	(13,369)	58,338	52,714	5,624
Security					
Salaries	585,000	154,714	739,714	739,714	-
Purchased Professional and Technical Services	115,000	(64,770)	50,230	50,230	-
General Supplies	4,000	-	4,000	2,884	1,116
Total Security	704,000	89,944	793,944	792,828	1,116
Student Transportation Services					
Salaries of Non-Instructional Aides	401,270	(149,439)	251,831	251,831	-
Salaries for Pupil Transportation (Between Home and School) - Regular	292,290	76,812	369,102	369,102	-
Salaries for Pupil Transportation (Between Home and School) - Special	279,614	132,596	412,210	412,210	-
Salaries for Pupil Transportation (Other Than Between Home & School)	135,000	(59,501)	75,499	75,499	-
Other Purchased Professional and Technical Services	-	1,350	1,350	1,350	-
Management Fee - ESC & CTSA Trans. Prog.	40,000	(40,000)	-	-	-
Cleaning, Repair and Maintenance Services	40,000	(11,999)	28,001	25,357	2,644
Lease Purchase Payments - School Buses	-	92,129	92,129	92,129	-
Contracted Services - Aid in Lieu Payments - Non-Public Schools	475,000	(196,390)	278,610	274,110	4,500
Contracted Services - Aid in Lieu Payments - Charter Schools	-	37,128	37,128	36,628	500
Contracted Services (Other Than Between Home and School) - Vendors	80,000	(80,000)	-	-	-
Contracted Services (Bet. Home and School) - Joint Agreements	15,000	127,124	142,124	142,124	-
Contracted Services (Spec Ed) - Vendors	1,100,000	1,215,107	2,315,107	2,315,107	-
Contracted Services (Spec Ed) - Joint Agreements	315,000	(315,000)	-	-	-
Contracted Services (Spec Ed) - ESC's & CTSA's	250,000	(250,000)	-	-	-
Transportation Supplies	35,000	(31,642)	3,358	3,358	-
Other Objects	15,000	-	15,000	8,943	6,057
Total Student Transportation Services	3,473,174	548,275	4,021,449	4,007,748	13,701
Unallocated Benefits					
Social Security Contributions	800,000	257,723	1,057,723	1,043,723	14,000
Other Retirement Contributions - PERS	775,000	70,384	845,384	845,384	-
Other Retirement Contributions - Regular	35,000	45,374	80,374	80,374	-
Unemployment Compensation	76,500	(76,500)	-	-	-
Workmen's Compensation	600,000	(17,084)	582,916	582,916	-
Health Benefits	9,850,000	(1,493,935)	8,356,065	7,857,712	498,353
Tuition Reimbursement	125,000	-	125,000	96,004	28,996
Other Employee Benefits	390,802	(48,500)	342,302	253,043	89,259
Unused Sick Payment to Terminated/Retired Staff	115,000	-	115,000	89,679	25,321
Total Unallocated Benefits	12,767,302	(1,262,538)	11,504,764	10,848,835	655,929

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
On Behalf TPAF Contributions (Non Budgeted)					
Pension Benefit Contribution				\$ 12,615,600	\$ (12,615,600)
Pension -NCGI Premium				177,989	(177,989)
Post Retirement Medical Benefit Contribution				2,989,099	(2,989,099)
Long Term Disability Insurance				4,510	(4,510)
Reimbursed Social Security Contribution	-	-	-	2,761,668	(2,761,668)
Total On-Behalf Contributions	-	-	-	18,548,866	(18,548,866)
Total Undistributed Expenditures	\$ 43,552,212	\$ 699,631	\$ 44,251,843	60,554,711	(16,302,868)
Interest Earned on Maintenance Reserve	2,500	-	2,500	-	2,500
Total Expenditures - Current Expenditures	76,986,298	1,496,271	78,482,569	93,404,225	(14,921,656)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures					
Instruction		2,276	2,276	-	2,276
Child Study Teams		1,041,555	1,041,555	242,198	799,357
Administrative Information Technology - Insurance					
Recovery Expenditures (Non-Budget)				240,437	(240,437)
Required Maintenance for School Facilities		612,429	612,429	252,286	360,143
Non-Instructional Services		15,989	15,989		15,989
Required Maintenance for School Facilities	-	19,133	19,133	-	19,133
Total Equipment	-	1,691,382	1,691,382	734,921	956,461
Facilities Acquisition and Construction Services					
Construction Services		21,285	21,285	21,285	-
Construction Services - Insurance Recovery Expenditures (Non-Budget)		-	-	230,685	(230,685)
Land and Improvements		1,986,385	1,986,385	763,750	1,222,635
Lease Purchase Agreements - Principal	1,775,000	(902,367)	872,633	865,632	7,001
Assessment for Debt Service on SDA Funding	22,935	-	22,935	22,935	-
Total Facilities Acquisition and Construction Services	1,797,935	1,105,303	2,903,238	1,904,287	998,951
Interest Deposit to Capital Reserve	5,000	-	5,000	-	5,000
Assets Acquired under Capital Financing Agreements and Leases (Non-Budget)					
Leased Equipment - School Administration				99,593	(99,593)
Leased Buildings				6,063,266	(6,063,266)
Construction Services - Building Improvements	-	-	-	1,837,669	(1,837,669)
Total Assets Acquired under capital financing Agreements and Leases	-	-	-	8,000,528	(8,000,528)
Total Capital Outlay	1,802,935	2,796,685	4,599,620	10,639,736	(6,040,116)
Transfer of Funds to Charter Schools	783,192	226,149	1,009,341	1,009,341	-
Total Expenditures	79,572,425	4,519,105	84,091,530	105,053,302	(20,961,772)
Excess (Deficiency) of Revenues Over (Under) Expenditures	130,746	(4,519,105)	(4,388,359)	(6,214,678)	(1,826,319)

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Other Financing Sources/(Uses)					
Capital Finance Agreement Proceeds				\$ 1,837,669	\$ 1,837,669
Leases				6,162,859	6,162,859
Insurance Recoveries				502,433	502,433
Operating Transfer In - Capital Projects Fund				1,419	1,419
Transfers Out - Capital Projects Fund	\$ (750,000)	\$ 736,385	\$ (13,615)		13,615
Transfers Out - Special Revenue Fund	(604,740)	-	(604,740)	(604,740)	-
Total Other Financing Sources/(Uses)	(1,354,740)	736,385	(618,355)	7,899,640	8,517,995
Net Change in Fund Balance	(1,223,994)	(3,782,720)	(5,006,714)	1,684,962	6,691,676
Fund Balances, Beginning of Year	9,676,376	-	9,676,376	9,676,376	-
Fund Balances, End of Year	<u>\$ 8,452,382</u>	<u>\$ (3,782,720)</u>	<u>\$ 4,669,662</u>	<u>\$ 11,361,338</u>	<u>\$ 6,691,676</u>
Recapitulation					
Restricted					
Capital Reserve				\$ 2,914,980	
Capital Reserve - Designated for Subsequent Year				722,935	
Maintenance Reserve				1,368,528	
Unemployment Compensation Reserve				204,511	
Committed					
Year End Encumbrances				2,499,820	
Assigned					
Year End Encumbrances				2,181,657	
Insurance Recovery Expenditures				19,801	
Unassigned				1,449,106	
Fund Balance Per State Budgetary Basis of Accounting				11,361,338	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Revenue Not Recognized on GAAP Basis				(4,203,329)	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 7,158,009</u>	

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 5,964,773	\$ 1,410,114	\$ 7,374,887	\$ 5,984,941	\$ (1,389,946)
Federal	4,477,026	10,888,373	15,365,399	5,793,380	(9,572,019)
Other Sources	98,556	222,438	320,994	248,471	(72,523)
Total Revenues	<u>10,540,355</u>	<u>12,520,925</u>	<u>23,061,280</u>	<u>12,026,792</u>	<u>(11,034,488)</u>
EXPENDITURES					
Salaries of Teachers	3,213,497	(639,901)	2,573,596	2,155,376	418,220
Other Salaries for Instruction	460,000	155,138	615,138	615,138	-
Purchased Professional / Educational Services	30,000	38,395	68,395	52,957	15,438
Purchased Professional / Technical Services	139,044	(39,687)	99,357	57,207	42,150
Other Purchased Services	1,140,389	619,552	1,759,941	1,702,727	57,214
General Supplies	1,767,660	817,368	2,585,028	1,705,258	879,770
Textbooks	8,308	(326)	7,982	6,999	983
Co-Curricular / Extra-Curricular Activities	-	230,675	230,675	230,675	-
Total Instruction	<u>6,758,898</u>	<u>1,181,214</u>	<u>7,940,112</u>	<u>6,526,337</u>	<u>1,413,775</u>
Support Services					
Salaries of Program Directors	410,555	41,503	452,058	448,674	3,384
Salaries of Other Professional Staff	141,709	(1,713)	139,996	139,996	-
Salaries of Secretarial and Clerical Assistants	37,903	32,171	70,074	70,074	-
Other Salaries	185,101	91,671	276,772	232,268	44,504
Salaries of Master Teachers	68,000	21,435	89,435	89,435	-
Personnel Services - Employee Benefits	603,502	166,624	770,126	629,943	140,183
Purchased Ed. Services - Contracted Pre-K	1,229,145	(130,066)	1,099,079	1,099,079	-
Purchased Ed Services - Head Start	100,000	(100,000)	-	-	-
Other Purchased Professional -Ed Services	25,000	(18,700)	6,300	6,200	100
Other Purchased Professional Services	15,000	(12,418)	2,582	2,532	50
Other Purchased Professional & Technical Services	13,872	1,359,072	1,372,944	1,159,153	213,791
Other Purchased Services	-	209,793	209,793	138,233	71,560
Purchased Property Services	-	46,733	46,733	46,733	-
Rentals	850,000	329,915	1,179,915	1,179,915	-
Supplies and Materials	63,410	992,553	1,055,963	502,263	553,700
Other Objects	-	29,834	29,834	17,464	12,370
Total Support Services	<u>3,743,197</u>	<u>3,058,407</u>	<u>6,801,604</u>	<u>5,761,962</u>	<u>1,039,642</u>
Capital Outlay					
Instructional Equipment	553,000	(103,364)	449,636	133,599	316,037
Non - Instructional Equipment	90,000	8,384,668	8,474,668	214,127	8,260,541
Total Capital Outlay	<u>643,000</u>	<u>8,281,304</u>	<u>8,924,304</u>	<u>347,726</u>	<u>8,576,578</u>
Total Expenditures	<u>11,145,095</u>	<u>12,520,925</u>	<u>23,666,020</u>	<u>12,636,025</u>	<u>11,029,995</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	\$ (604,740)	\$ -	\$ (604,740)	\$ (609,233)	\$ (4,493)
Other Financing Sources Transfers In- General Fund	<u>604,740</u>	<u>-</u>	<u>604,740</u>	<u>604,740</u>	<u>-</u>
Net Changes in Fund Balances	-	-	-	(4,493)	(4,493)
Fund Balance, Beginning of Year	<u>144,090</u>	<u>-</u>	<u>144,090</u>	<u>144,090</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 144,090</u>	<u>\$ -</u>	<u>\$ 144,090</u>	<u>\$ 139,597</u>	<u>4,493</u>
Reconciliation to Governmental Fund Statements (GAAP)					
Less: State Aid Not Recognized on GAAP Basis				<u>(486,395)</u>	
Fund Balance (Deficit per Governmental Funds (GAAP))				<u>\$ (346,798)</u>	
Recapitulation of Fund Balances					
Restricted Fund Balance					
Student Activities				\$ 139,597	
Unassigned				<u>(486,395)</u>	
				<u>\$ (346,798)</u>	

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the Special Revenue Fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 98,838,624	\$ 12,026,792
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.(2021-2022)	(4,203,329)	(486,395)
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2020-2021)	4,005,910	216,954
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2022		(1,716,865)
Encumbrances , June 30, 2021 net of cancellations	-	<u>1,664,649</u>
 Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	 <u>\$ 98,641,205</u>	 <u>\$ 11,705,135</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 105,053,302	\$ 12,636,025
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances , June 30, 2022		(1,716,865)
Encumbrances , June 30, 2021 net of cancellations	-	<u>1,664,649</u>
 Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 105,053,302</u>	 <u>\$ 12,583,809</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.07219%	0.07078%	0.06806%	0.07187%	0.07397%	.07154%	.08363%	.08023%	.07642%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 8,551,535	\$ 11,542,687	\$ 12,262,929	\$ 14,151,512	\$ 17,219,108	\$ 21,188,458	\$ 18,772,248	\$ 15,022,124	\$ 14,606,291
District's Covered Payroll	\$ 5,331,466	\$ 5,233,105	\$ 4,897,993	\$ 4,764,655	\$ 4,860,151	\$ 5,027,264	\$ 4,680,094	\$ 5,498,805	\$ 5,051,790
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	160.40%	220.57%	250.37%	297.01%	354.29%	421.47%	401.11%	273.19%	289.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Nine Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 845,384	\$ 774,320	\$ 662,003	\$ 714,908	\$ 685,256	\$ 635,562	\$ 718,955	\$ 661,443	\$ 573,845
Contributions in Relation to the Contractually Required Contribution	<u>845,384</u>	<u>774,320</u>	<u>662,003</u>	<u>714,908</u>	<u>685,256</u>	<u>635,562</u>	<u>718,955</u>	<u>661,443</u>	<u>573,845</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 6,085,537	\$ 5,331,466	\$ 5,233,105	\$ 4,897,993	\$ 4,764,655	\$ 4,860,151	\$ 5,027,264	\$ 4,680,094	\$ 5,498,805
Contributions as a Percentage of Covered Payroll	13.89%	14.52%	12.65%	14.60%	14.38%	13.08%	14.30%	14.13%	10.44%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Eight Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>143,562,309</u>	<u>188,081,489</u>	<u>179,091,407</u>	<u>178,690,692</u>	<u>192,551,563</u>	<u>234,722,770</u>	<u>186,927,127</u>	<u>154,793,607</u>	<u>150,597,225</u>
Total	\$ <u>143,562,309</u>	\$ <u>188,081,489</u>	\$ <u>179,091,407</u>	\$ <u>178,690,692</u>	\$ <u>192,551,563</u>	\$ <u>234,722,770</u>	\$ <u>186,927,127</u>	\$ <u>154,793,607</u>	\$ <u>150,597,225</u>
District's Covered Payroll	35,771,926	33,974,406	31,804,124	30,352,173	29,711,584	28,765,071	28,475,277	29,722,849	28,462,899
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0	0	0	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4D.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Five Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service Cost	\$ 8,677,373	\$ 4,567,778	\$ 4,266,489	\$ 4,792,430	\$ 5,707,408
Interest on Total OPEB Liability	4,353,236	4,039,747	4,960,852	5,401,596	4,696,710
Changes in Benefit Terms	(178,616)				
Differences Between Expected and Actual Experience	(28,363,284)	34,539,845	(20,720,186)	(14,658,853)	
Changes of Assumptions	165,560	34,062,794	1,676,103	(14,410,849)	(19,512,888)
Gross Benefit Payments	(3,429,131)	(3,246,397)	(3,450,776)	(3,357,945)	(3,138,421)
Contribution from the Member	<u>111,291</u>	<u>98,398</u>	<u>102,291</u>	<u>116,056</u>	<u>115,565</u>
Net Change in Total OPEB Liability	(18,663,571)	74,062,165	(13,165,227)	(22,117,565)	(12,131,626)
Total OPEB Liability - Beginning	<u>186,476,202</u>	<u>112,414,037</u>	<u>125,579,264</u>	<u>147,696,829</u>	<u>159,828,455</u>
Total OPEB Liability - Ending	<u>\$ 167,812,631</u>	<u>\$ 186,476,202</u>	<u>\$ 112,414,037</u>	<u>\$ 125,579,264</u>	<u>\$ 147,696,829</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>167,812,631</u>	<u>186,476,202</u>	<u>112,414,037</u>	<u>125,579,264</u>	<u>147,696,829</u>
Total OPEB Liability - Ending	<u>\$ 167,812,631</u>	<u>\$ 186,476,202</u>	<u>\$ 112,414,037</u>	<u>\$ 125,579,264</u>	<u>\$ 147,696,829</u>
District's Covered Payroll	<u>\$ 41,103,392</u>	<u>\$ 39,207,511</u>	<u>\$ 36,702,117</u>	<u>\$ 35,116,828</u>	<u>\$ 34,571,735</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4E.

SCHOOL LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Title I</u>	<u>Title I Re-Allocated</u>	<u>Title II A</u>	<u>Title III</u>	<u>Title III Immigrant</u>	<u>Title IV</u>	<u>Perkins</u>	<u>(Exhibit E-1a)</u>	<u>(Exhibit E-1b)</u>	<u>(Exhibit E-1c)</u>	<u>Total 2022</u>
REVENUES											
Intergovernmental											
State								\$ -	\$ 5,984,941	\$ -	\$ 5,984,941
Federal	\$ 971,430	\$ 21,313	\$ 145,313	\$ 58,146	\$ 32,893	\$ 68,212	\$ 29,453	4,466,620	-	-	5,793,380
Other Sources	-	-	-	-	-	-	-	-	-	248,471	248,471
Total Revenues	\$ 971,430	\$ 21,313	\$ 145,313	\$ 58,146	\$ 32,893	\$ 68,212	\$ 29,453	\$ 4,466,620	\$ 5,984,941	\$ 248,471	12,026,792
EXPENDITURES											
Salaries of Teachers	\$ 268,273	\$ 21,035	\$ 39,870	\$ 12,516	\$ 6,000			407,411	1,400,271	-	2,155,376
Other Salaries for Instruction								-	615,138	-	615,138
Purchased Professional / Educational Services								-	52,957	-	52,957
Purchased Professional / Technical Services	120							-	57,087	-	57,207
Other Purchased Services	2,760							1,694,067	1,796	4,104	1,702,727
General Supplies	553,948	278		42,822	13,033	68,212	28,073	551,084	429,623	18,185	1,705,258
Textbooks								-	6,999	-	6,999
Co-Curricular / Extra-Curricular Activities								-	-	230,675	230,675
Total Instruction	825,101	21,313	39,870	55,338	19,033	68,212	28,073	2,652,562	2,563,871	252,964	6,526,337
Support Services											
Salaries of Program Directors								31,616	417,058	-	448,674
Salaries of Other Professional Staff								-	139,996	-	139,996
Salaries of Secretarial and Clerical Assistants								-	70,074	-	70,074
Other Salaries	26,598							17,686	187,984	-	232,268
Salaries of Master Teachers								-	89,435	-	89,435
Personnel Services - Employee Benefits	50,412		2,830	958	459			103,244	472,040	-	629,943
Purchased Ed. Services - Contracted Pre-K								-	1,099,079	-	1,099,079
Other Purchased Professional -Ed Services								-	6,200	-	6,200
Other Purchased Professional Services								-	2,532	-	2,532
Other Purchased Professional & Technical Services	24,000		45,347					1,078,307	11,499	-	1,159,153
Other Purchased Services	283		44,627	1,850			1,380	79,605	10,488	-	138,233
Purchased Property Services								46,733	-	-	46,733
Rentals								-	1,179,915	-	1,179,915
Supplies and Materials	45,036		12,639		13,401			370,067	61,120	-	502,263
Other Objects								-	17,464	-	17,464
Total Support Services	146,329	-	105,443	2,808	13,860	-	1,380	1,727,258	3,764,884	-	5,761,962
Capital Outlay											
Instructional Equipment								-	133,599	-	133,599
Non - Instructional Equipment								86,800	127,327	-	214,127
Total Capital Outlay	-	-	-	-	-	-	-	86,800	260,926	-	347,726
Total Expenditures	\$ 971,430	\$ 21,313	\$ 145,313	\$ 58,146	\$ 32,893	\$ 68,212	\$ 29,453	\$ 4,466,620	\$ 6,589,681	\$ 252,964	\$ 12,636,025
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	(604,740)	(4,493)	(609,233)
Other Financing Sources											
Transfers In- General Fund									604,740	-	604,740
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	(4,493)	(4,493)
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	144,090	144,090
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 139,597	139,597

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>ARP ESSER III</u>	<u>CRRSA ESSER II</u>	<u>CRRSA Accelerated Learning</u>	<u>CRRSA Mental Relief</u>	<u>CARES Act</u>	<u>IDEA Basic</u>	<u>IDEA Preschool</u>	<u>IDEA ARP Basic</u>	<u>IDEA ARP Preschool</u>	<u>ACSERS</u>	<u>Total Exhibit E-1a</u>
REVENUES											
Intergovernmental											
State											\$ -
Federal	\$ 1,041,486	\$ 1,405,026	\$ 222,359	\$ 17,056	\$ 1,621	\$ 1,138,514	\$ 26,642	\$ 238,261	20,490	355,165	4,466,620
Other Sources	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 1,041,486	\$ 1,405,026	\$ 222,359	\$ 17,056	\$ 1,621	\$ 1,138,514	\$ 26,642	\$ 238,261	\$ 20,490	\$ 355,165	\$ 4,466,620
EXPENDITURES											
Salaries of Teachers		\$ 188,284	\$ 219,127								407,411
Other Salaries for Instruction											-
Purchased Professional / Educational Services											-
Purchased Professional / Technical Services											-
Other Purchased Services						1,133,114	26,642	238,261	20,490	275,560	1,694,067
General Supplies		547,642	\$ 3,232		\$ 210						551,084
Textbooks											-
Co-Curricular / Extra-Curricular Activities	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	-	735,926	222,359	-	210	1,133,114	26,642	238,261	20,490	275,560	2,652,562
Support Services											
Salaries of Program Directors		31,616									31,616
Salaries of Other Professional Staff											-
Salaries of Secretarial and Clerical Assistants											-
Other Salaries		1,750		15,936							17,686
Salaries of Master Teachers											-
Personnel Services - Employee Benefits		103,244									103,244
Purchased Ed. Services - Contracted Pre-K											-
Other Purchased Professional -Ed Services											-
Other Purchased Professional Services											-
Other Purchased Professional & Technical Services	1,041,486	30,301		1,120		5,400					1,078,307
Other Purchased Services										79,605	79,605
Purchased Property Services		46,733									46,733
Rentals											-
Supplies and Materials		368,656			1,411						370,067
Program Administration	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	1,041,486	582,300	-	17,056	1,411	5,400	-	-	-	79,605	1,727,258
Capital Outlay											
Instructional Equipment		-									-
Non - Instructional Equipment	-	86,800	-	-	-	-	-	-	-	-	86,800
Total Capital Outlay	-	86,800	-	-	-	-	-	-	-	-	86,800
Total Expenditures	\$ 1,041,486	\$ 1,405,026	\$ 222,359	\$ 17,056	\$ 1,621	\$ 1,138,514	\$ 26,642	\$ 238,261	\$ 20,490	\$ 355,165	\$ 4,466,620
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-
Other Financing Sources											
Transfers In- General Fund	-	-	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Preschool Education Aid Act</u>	<u>Nonpublic Compensatory Education</u>	<u>Nonpublic Corrective Speech</u>	<u>Nonpublic Supplemental Instruction</u>	<u>Nonpublic Nursing</u>	<u>Nonpublic Textbook</u>	<u>Nonpublic Technology</u>	<u>Nonpublic Security</u>	<u>Alyssa's Law</u>	<u>SDA Emergent & Capital Maint. Needs</u>	<u>Total Exhibit E-1b</u>
REVENUES											
Intergovernmental											
State	\$ 5,769,481	\$ 48,732	\$ 2,325	\$ 6,030	\$ 11,499	\$ 6,999	\$ 4,435	\$ 11,903	\$ 15,625	\$ 107,912	\$ 5,984,941
Federal	-	-	-	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 5,769,481	\$ 48,732	\$ 2,325	\$ 6,030	\$ 11,499	\$ 6,999	\$ 4,435	\$ 11,903	\$ 15,625	\$ 107,912	\$ 5,984,941
EXPENDITURES											
Instruction											
Salaries of Teachers	\$ 1,400,271										1,400,271
Other Salaries for Instruction	615,138										615,138
Purchased Professional / Educational Services	52,957										52,957
Purchased Professional / Technical Services		48,732	2,325	\$ 6,030							57,087
Other Purchased Services	1,796										1,796
General Supplies	425,188						4,435				429,623
Textbooks						6,999					6,999
Co-Curricular / Extra-Curricular Activities	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	2,495,350	48,732	2,325	6,030	-	6,999	4,435	-	-	-	2,563,871
Support Services											
Salaries of Program Directors	417,058										417,058
Salaries of Other Professional Staff	139,996										139,996
Salaries of Secretarial and Clerical Assistants	70,074										70,074
Other Salaries	187,984										187,984
Salaries of Master Teachers	89,435										89,435
Personnel Services - Employee Benefits	472,040										472,040
Purchased Ed. Services - Contracted Pre-K	1,099,079										1,099,079
Other Purchased Professional -Ed Services	6,200										6,200
Other Purchased Professional Services	2,532										2,532
Other Purchased Professional & Technical Services					11,499						11,499
Other Purchased Services	10,488										10,488
Purchased Property Services	-										-
Rentals	1,179,915										1,179,915
Miscellaneous Purchased Services	-										-
Supplies and Materials	49,217							11,903			61,120
Other Objects	17,464										17,464
Total Support Services	3,741,482	-	-	-	11,499	-	-	11,903	-	-	3,764,884
Capital Outlay											
Instructional Equipment	25,687									107,912	133,599
Non - Instructional Equipment	111,702								15,625		127,327
Total Capital Outlay	137,389	-	-	-	-	-	-	-	15,625	107,912	260,926
Total Expenditures	\$ 6,374,221	\$ 48,732	\$ 2,325	\$ 6,030	\$ 11,499	\$ 6,999	\$ 4,435	\$ 11,903	\$ 15,625	\$ 107,912	\$ 6,589,681
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	(604,740)	-	-	-	-	-	-	-	-	-	(604,740)
Other Financing Sources											
Transfers In- General Fund	604,740										604,740
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Municipal Alliance	Local Donations	No Kid Hungry Local Grant	Loves Robotics STEM Program	PSEG Sustainable NJ Program	EKJ Science Literacy Program	Student Activities	Total Exhibit E-1c
REVENUES								
Intergovernmental								\$ -
State								-
Federal								-
Other Sources	4,104	142	13,666	3,128	\$ 926	\$ 323	\$ 226,182	248,471
Total Revenues	\$ 4,104	\$ 142	\$ 13,666	\$ 3,128	\$ 926	\$ 323	\$ 226,182	\$ 248,471
EXPENDITURES								
Instruction								-
Salaries								-
Other Salaries for Instruction								-
Purchased Professional / Educational Services								-
Purchased Professional / Technical Services								-
Other Purchased Services	4,104							4,104
General Supplies		142	13,666	3,128	926	323		18,185
Textbooks								-
Co-Curricular / Extra-Curricular Activities							230,675	230,675
Total Instruction	4,104	142	13,666	3,128	926	323	230,675	252,964
Support Services								-
Salaries of Program Directors								-
Salaries of Other Professional Staff								-
Salaries of Secretarial and Clerical Assistants								-
Other Salaries								-
Salaries of Master Teachers								-
Personnel Services - Employee Benefits								-
Purchased Ed. Services - Contracted Pre-K								-
Other Purchased Professional -Ed Services								-
Other Purchased Professional Services								-
Other Purchased Professional & Technical Services								-
Other Purchased Services								-
Purchased Property Services								-
Rentals								-
Supplies and Materials								-
Program Administration								-
Total Support Services	-	-	-	-	-	-	-	-
Capital Outlay								-
Instructional Equipment								-
Non - Instructional Equipment								-
Total Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	\$ 4,104	\$ 142	\$ 13,666	\$ 3,128	\$ 926	\$ 323	\$ 230,675	\$ 252,964
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	(4,493)	(4,493)
Other Financing Sources								-
Transfers In- General Fund								-
Net Changes in Fund Balances	-	-	-	-	-	-	(4,493)	(4,493)
Fund Balance, Beginning of Year							144,090	144,090
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 139,597	\$ 139,597

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
PRESCHOOL - ALL PROGRAMS
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	\$ 1,507,275	\$ (105,954)	\$1,401,321	\$1,400,271	\$ 1,050
Other Salaries for Instruction	480,000	135,138	615,138	615,138	-
Purchased Professional - Educational Services		68,395	68,395	52,957	15,438
Other Purchased Services		5,000	5,000	1,796	3,204
General Supplies	88,000	358,542	446,542	425,188	21,354
Total Instruction	<u>2,075,275</u>	<u>461,121</u>	<u>2,536,396</u>	<u>2,495,350</u>	<u>41,046</u>
Support Services					
Salaries of Program Director	410,555	6,503	417,058	417,058	-
Salaries of Other Professional Staff	141,709	(1,713)	139,996	139,996	-
Salaries of Secretarial and Clerical Assistants	37,903	32,171	70,074	70,074	-
Other Salaries	185,101	8,736	193,837	187,984	5,853
Salaries of Master Teachers	68,000	21,435	89,435	89,435	-
Personnel Services - Employee Benefits	630,576	(158,536)	472,040	472,040	-
Purchased Ed. Services - Contracted Pre-K	1,031,400	67,679	1,099,079	1,099,079	-
Purchased Ed. Services - Head Start	100,000	(100,000)	-	-	-
Other Purchased Professional -Ed Services	25,000	(18,800)	6,200	6,200	-
Other Purchased Professional Services	15,000	(12,468)	2,532	2,532	-
Rentals	850,000	329,915	1,179,915	1,179,915	-
Miscellaneous Purchased Services		10,488	10,488	10,488	-
Supplies and Materials	130,281	(43,763)	86,518	49,217	37,301
Other Objects	-	17,464	17,464	17,464	-
Total Support Services	<u>3,625,525</u>	<u>159,111</u>	<u>3,784,636</u>	<u>3,741,482</u>	<u>43,154</u>
Facilities Acquisition and Construction Services					
Instructional Equipment	553,000	(527,311)	25,689	25,687	2
Noninstructional Equipment	90,000	21,713	111,713	111,702	11
Total Facilities Acquisition and Construction Services	<u>643,000</u>	<u>(505,598)</u>	<u>137,402</u>	<u>137,389</u>	<u>13</u>
Total Expenditures	<u>\$ 6,343,800</u>	<u>\$ 114,634</u>	<u>\$6,458,434</u>	<u>\$6,374,221</u>	<u>\$ 84,213</u>

Calculation of Budget Carryover

Total revised 2021-2022 Preschool Education Aid Allocation	\$5,765,070
Budgeted Transfer From General Fund	604,740
Add: Actual Preschool Education Aid Carryover (June 30, 2021)	88,624
Total Preschool Ed. Aid Funds Available for 2021-2022 Budget	6,458,434
Less: 2021-2022 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>6,458,434</u>
Available & Unbudgeted Preschool Education Aid Funds as of 'June 30, 2022	-
Add: June 30, 2022 Unexpended Preschool Education Aid	84,213
2021-2022 C/O - Preschool Education Aid Programs	<u>\$ 84,213</u>
2021-22 Preschool Education Aid C/O Budgeted in 2022/2023	<u>\$ -</u>

CAPITAL PROJECTS FUND

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue/ Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date Prior Years</u>	<u>Current Year</u>	<u>Unexpended Project Balance June 30, 2022</u>
Partial Roof Replacement at School Number 7 and Belleville High School and Related Masonry and Electrical Upgrades	\$ 1,026,316	\$ 1,023,664	-	\$ 2,652
Boiler Replacement at School Number 8 and the Middle School and District Security Upgrades	2,199,041	2,193,775	-	5,266
2017 Referendum - District Wide Facilities Renovations, Upgrades and Improvements	48,536,601	46,164,264	\$ 2,332,391	39,946
Turf Field at Clearman School, Fire Doors and Acquisition of Acoustic Equipment at Belleville High School Auditorium	<u>3,500,900</u>	<u>2,680,975</u>	<u>798,408</u>	<u>21,517</u>
	<u>\$ 55,262,858</u>	<u>\$ 52,062,678</u>	<u>\$ 3,130,799</u>	<u>\$ 69,381</u>
<u>Reconciliation to GAAP Basis</u>				
Project Balance, June 30, 2022				\$ 69,381
Less: Bonds Authorized But Not Issued				<u>(601)</u>
Fund Balance, June 30, 2022 - GAAP Basis				<u>\$ 68,780</u>
<u>Reconciliation to Fund Balance</u>				
Restricted for Capital Projects				
Year End Encumbrances				\$ 47,973
Available for Capital Projects				<u>20,807</u>
Total Fund Balance - Restricted for Capital Projects				<u>\$ 68,780</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Revenues and Other Financing Sources

Revenues

Interest and Dividends on Investments	\$ <u>1,500</u>
---------------------------------------	-----------------

Total Revenues and Other Financing Sources	<u>1,500</u>
--	--------------

Expenditures and Other Financing Uses

Expenditures

Architectural/Engineering Services	16,633
------------------------------------	--------

Purchased Professional/Technical Services	157,935
---	---------

Construction Services	2,956,231
-----------------------	-----------

Other Financing Uses

Transfers Out - General Fund	<u>1,419</u>
------------------------------	--------------

Total Expenditures and Other Financing Uses	<u>3,132,218</u>
---	------------------

Excess (Deficiency) of Revenues and Other Financing Sources

Over (Under) Expenditures and Other Financing Uses	(3,130,718)
--	-------------

Fund Balance- Beginning	<u>3,199,498</u>
-------------------------	------------------

Fund Balance- Ending	<u><u>\$ 68,780</u></u>
----------------------	-------------------------

Reconciliation to GAAP

Fund Balance, End of Year - Budgetary Basis	<u>\$ 68,780</u>
---	------------------

Fund Balance, June 30, 2022- GAAP	<u><u>\$ 68,780</u></u>
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**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS**

**PARTIAL ROOF REPLACEMENT AND RELATED MASONRY REPAIRS AT SCHOOL NUMBER 7 AND PARTIAL
ROOF REPLACEMENT AT BELLEVILLE HIGH SCHOOL AND ELECTRIC SERVICE UPGRADE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Capital Lease Proceeds	\$ 1,025,000		\$ 1,025,000	\$ 1,025,000
Interest Earnings	<u>1,316</u>	<u>-</u>	<u>1,316</u>	<u>1,316</u>
Total Revenues and Other Financing Sources	<u>1,026,316</u>	<u>-</u>	<u>1,026,316</u>	<u>1,026,316</u>
Expenditures and Other Financing Uses				
Purchased Professional/Technical Services	32,964		32,964	32,964
Construction Services	989,200	-	989,200	991,852
Other Objects	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>
Total Expenditures and Other Financing Uses	<u>1,023,664</u>	<u>-</u>	<u>1,023,664</u>	<u>1,026,316</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 2,652</u>	<u>\$ -</u>	<u>\$ 2,652</u>	<u>\$ -</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
BOILER REPLACEMENT AT SCHOOL NUMBER EIGHT AND
THE MIDDLE SCHOOL AND DISTRICT SECURITY UPGRADE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Capital Lease Proceeds	\$ 2,193,829		\$ 2,193,829	\$ 2,193,829
Interest Earnings	<u>5,212</u>	<u>-</u>	<u>5,212</u>	<u>5,212</u>
Total Revenues and Other Financing Sources	<u>2,199,041</u>	<u>-</u>	<u>2,199,041</u>	<u>2,199,041</u>
Expenditures and Other Financing Uses				
Purchased Professional/Technical Services	135,037		135,037	135,037
Rentals	319,685		319,685	319,685
Construction Services	1,695,226		1,695,226	1,700,492
Other Objects - Interest	<u>43,827</u>	<u>-</u>	<u>43,827</u>	<u>43,827</u>
Total Expenditures and Other Financing Uses	<u>2,193,775</u>	<u>-</u>	<u>2,193,775</u>	<u>2,199,041</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 5,266</u>	<u>\$ -</u>	<u>\$ 5,266</u>	<u>\$ -</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
2017 REFEREDUM - DISTRICT WIDE FACILITIES, RENOVATIONS, UPGRADES, AND IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 48,536,000	-	\$ 48,536,000	\$ 48,536,601
Total Revenues and Other Financing Sources	<u>48,536,000</u>	<u>-</u>	<u>48,536,000</u>	<u>48,536,601</u>
Expenditures and Other Financing Uses				
Expenditures				
Salaries	7,799		7,799	8,000
Legal Services	83,592		83,592	83,592
Architectural/Engineering Services	2,143,966	\$ 7,206	2,151,172	2,160,000
Other Purchased Professional and Technical Services	1,590,424	157,935	1,748,359	1,760,000
Supplies and Materials	102,048	-	102,048	105,000
Construction Services	42,205,903	2,167,250	44,373,153	44,390,009
Other Objects	30,532	-	30,532	30,000
Total Expenditures and Other Financing Uses	<u>46,164,264</u>	<u>2,332,391</u>	<u>48,496,655</u>	<u>48,536,601</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 2,371,736</u>	<u>\$ (2,332,391)</u>	<u>\$ 39,345</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	11/7/2017
Bonds Authorized	\$ 48,536,601
Bonds Issued	\$ 48,536,000
Original Authorized Cost	\$ 48,536,601
Additional Authorized Cost	<u>-</u>
Revised Authorized Cost	<u>48,536,601</u>
Percentage Increase Over Original Authorized Cost	-
Percentage Completion	67.61%
Original Target Completion Date	August 30, 2020
Revised Target Completion Date	August 30, 2021

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS**

**TURF FIELD AT CLEARMAN SCHOOL, FIRE DOORS AND INSTALLATION OF SOUND SYSTEM AT HS AUDITORIUM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Capital Lease Proceeds	\$ 3,226,000	\$ -	\$ 3,226,000	\$ 3,226,000
Lease Premium	274,000	-	274,000	274,000
Interest Earnings	<u>819</u>	<u>81</u>	<u>900</u>	<u>900</u>
Total Revenues and Other Financing Sources	<u>3,500,819</u>	<u>81</u>	<u>3,500,900</u>	<u>3,500,900</u>
Expenditures and Other Financing Uses				
Expenditures				
Architectural/Engineering Services	287,092	9,427	296,519	300,000
Construction Services	2,279,565	788,981	3,068,546	3,085,900
Equipment	<u>114,318</u>	<u>-</u>	<u>114,318</u>	<u>115,000</u>
Total Expenditures and Other Financing Uses	<u>2,680,975</u>	<u>798,408</u>	<u>3,479,383</u>	<u>3,500,900</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 819,844</u>	<u>\$ (798,327)</u>	<u>\$ 21,517</u>	<u>\$ -</u>

PROPRIETARY FUNDS

EXHIBIT G-1

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2022**

NOT APPLICABLE

EXHIBIT G-2

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOT APPLICABLE

EXHIBIT G-3

**COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2021</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance, June 30, 2022</u>	
			<u>Date</u>	<u>Amount</u>						
2018 School Bonds	3/22/2018	\$ 48,536,000	9/1/2022	1,450,000	3.00%					
			9/1/2023	1,495,000	3.00%					
			9/1/2024	1,540,000	3.00%					
			9/1/2025	1,585,000	3.00%					
			9/1/2026	1,635,000	3.00%					
			9/1/2027	1,685,000	3.00%					
			9/1/2028	1,735,000	3.00%					
			9/1/2029	1,795,000	3.00%					
			9/1/2030	1,850,000	3.13%					
			9/1/2031	1,915,000	3.25%					
			9/1/2032	1,990,000	3.25%					
			9/1/2033	2,065,000	3.50%					
			9/1/2034	2,150,000	4.00%					
			9/1/2035	2,235,000	4.00%					
			9/1/2036	2,325,000	4.00%					
			9/1/2037	2,420,000	4.00%					
			9/1/2038	2,520,000	4.00%					
			9/1/2039	2,625,000	4.00%					
			9/1/2040-42	2,740,000	4.00%					
									\$ 44,640,000	\$ -
						<u>\$ 44,640,000</u>	<u>\$ -</u>	<u>\$ 1,405,000</u>	<u>\$ 43,235,000</u>	

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCE AGREEMENT AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>July 1, 2021 (Restated)</u>	<u>Issued</u>	<u>Retired</u>	<u>Transfers</u>	<u>Balance, June 30, 2022</u>
CAPITAL FINANCING AGREEMENTS							
Boiler Replacement at School No. 8 and the Middle School and District Security Upgrades	\$ 2,193,829	2.82%	\$ 257,632		\$ 257,632		-
Turf Field at Clearman School, Fire Doors and Acquisition of Acoustic Equipment at Belleville High School Auditorium	3,226,000	4.0%-5.0%	2,621,000		608,000		\$ 2,013,000
Security Cameras Project	678,725	5.08%	412,123		128,864	\$ (283,259)	-
Security Camera System	698,034	2.78%	698,034		232,752		465,282
2021 16 Passenger Bus	57,032	2.10%	37,691		18,650		19,041
2020 Various Buses	121,821	2.10%	96,605		23,404		73,201
Two 54 Passenger Buses	226,342	2.10%	179,492	-	43,485	-	136,007
IT Infrastructure / Expansion of New BOE Building	1,402,792	2.54%	-	\$ 1,402,792	248,701		1,154,091
Security Cameras	718,136	3.11%	-	434,877	-	283,259	718,136
Total Capital Financing Agreements			<u>4,302,577</u>	<u>1,837,669</u>	<u>1,561,488</u>	<u>-</u>	<u>4,578,758</u>
				Paid by Budget Appropriation	<u>\$ 1,561,488</u>		

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCE AGREEMENT AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

LEASES PAYABLE	Original Issue	Interest Rate	July 1, 2021	Issued	Retired	Transfers	Balance, June 30, 2022
34 Ralph (5 Pre-K Classrooms)	1,391,309	3.00%	\$ 1,018,030		\$ 273,195		\$ 744,835
BOE Administrative Office & Maintenance Garage (54 Ralph)	1,208,432	2.50%	1,143,400		223,375		920,025
54 Ralph (Pre-K Classrooms)	2,515,391	2.50%	2,446,275		435,565		2,010,710
Office Suite (387 Union Avenue)	140,866	2.50%	127,559		27,122		100,437
Parking Lease - St Peter	35,436	2.00%	27,653		23,663		3,990
Cannon Copiers	754,187	2.50%	731,734		143,191		588,543
Office Suite - Lower Level (335 Union Avenue)	166,222	2.50%		\$ 166,222	31,605		134,617
Cannon Copier	63,246	2.50%		63,246	8,756		54,490
Pre-K Lease Amendment	3,567,060	3.00%		3,567,060	314,454		3,252,606
Cannon Copier	26,605	2.50%		26,605	3,358		23,247
Athletic Indoor Training Facility	2,329,984	3.50%		2,329,984	97,864		2,232,120
Cannon Copier	9,742	3.00%	-	9,742	1,186	-	8,556
Total Leases Payable			<u>\$ 5,494,651</u>	<u>\$ 6,162,859</u>	<u>\$ 1,583,334</u>	<u>\$ -</u>	<u>\$ 10,074,176</u>
				Paid by Budget Appropriation	<u>\$ 1,583,334</u>		

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Final to Actual</u>
REVENUES:					
Local Sources:					
Property Tax Levy	\$ 1,792,063	-	\$ 1,792,063	\$ 1,792,063	-
State Sources					
Debt Service Aid	<u>1,178,412</u>	<u>-</u>	<u>1,178,412</u>	<u>1,178,412</u>	<u>-</u>
Total Revenues	<u>2,970,475</u>	<u>-</u>	<u>2,970,475</u>	<u>2,970,475</u>	<u>-</u>
EXPENDITURES:					
Debt Service:					
Principal	1,405,000		1,405,000	1,405,000	
Interest	<u>1,565,475</u>	<u>-</u>	<u>1,565,475</u>	<u>1,565,475</u>	<u>-</u>
Total Expenditures	<u>2,970,475</u>	<u>-</u>	<u>2,970,475</u>	<u>2,970,475</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Belleville Township School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (Unaudited)
 (accrual basis of accounting)

	2013	2014 (1)	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net Investment in Capital Assets	\$ 5,505,798	\$ 5,513,725	\$ 5,984,419	\$ 6,536,372	\$ 7,066,551	\$ 8,129,551	\$ 8,275,755	\$ 10,217,537	\$ 11,974,099	\$ 12,927,660
Restricted				676,149	1,694,143	2,629,937	3,873,834	4,930,274	6,429,106	5,358,469
Unrestricted	<u>(2,667,763)</u>	<u>(24,352,115)</u>	<u>(23,203,444)</u>	<u>(22,069,596)</u>	<u>(22,621,063)</u>	<u>(22,860,737)</u>	<u>(23,103,817)</u>	<u>(24,215,243)</u>	<u>(22,096,324)</u>	<u>(17,148,438)</u>
Total governmental activities net position	<u>\$ 2,838,035</u>	<u>\$ (18,838,390)</u>	<u>\$ (17,219,025)</u>	<u>\$ (14,857,075)</u>	<u>\$ (13,860,369)</u>	<u>\$ (12,101,249)</u>	<u>\$ (10,954,228)</u>	<u>\$ (9,067,432)</u>	<u>\$ (3,693,119)</u>	<u>\$ 1,137,691</u>
Business-type activities										
Net Investment in Capital Assets	\$ 107,347	\$ 79,214	\$ 203,689	\$ 144,244	\$ 101,892	\$ 60,758	\$ 42,503	\$ 34,198	\$ 33,190	\$ 380,856
Restricted										
Unrestricted	<u>261,874</u>	<u>170,029</u>	<u>202,415</u>	<u>168,548</u>	<u>116,456</u>	<u>159,570</u>	<u>315,324</u>	<u>586,716</u>	<u>1,880,278</u>	<u>1,782,983</u>
Total business-type activities net position	<u>\$ 369,221</u>	<u>\$ 249,243</u>	<u>\$ 406,104</u>	<u>\$ 312,792</u>	<u>\$ 218,348</u>	<u>\$ 220,328</u>	<u>\$ 357,827</u>	<u>\$ 620,914</u>	<u>\$ 1,913,468</u>	<u>\$ 2,163,839</u>
District-wide										
Net Investment in Capital Assets	\$ 5,613,145	\$ 5,592,939	\$ 6,188,108	\$ 6,680,616	\$ 7,168,443	\$ 8,190,309	\$ 8,318,258	\$ 10,251,735	\$ 12,007,289	\$ 13,308,516
Restricted	-	-	-	676,149	1,694,143	2,629,937	3,873,834	4,930,274	6,429,106	5,358,469
Unrestricted	<u>(2,405,889)</u>	<u>(24,182,086)</u>	<u>(23,001,029)</u>	<u>(21,901,048)</u>	<u>(22,504,607)</u>	<u>(22,701,167)</u>	<u>(22,788,493)</u>	<u>(23,628,527)</u>	<u>(20,216,046)</u>	<u>(15,365,455)</u>
Total district net position	<u>\$ 3,207,256</u>	<u>\$ (18,589,147)</u>	<u>\$ (16,812,921)</u>	<u>\$ (14,544,283)</u>	<u>\$ (13,642,021)</u>	<u>\$ (11,880,921)</u>	<u>\$ (10,596,401)</u>	<u>\$ (8,446,518)</u>	<u>\$ (1,779,651)</u>	<u>\$ 3,301,530</u>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB No. 84, "Fiduciary Activities" and revisions to the compensated absences liability.

Note 2 - Net Position at June 30, 2021 is restated to reflect the implementation of GASB No. 87, "Leases".

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 28,096,259	\$ 29,359,361	\$ 31,848,519	\$ 33,204,564	\$ 37,115,854	\$ 38,611,186	\$ 37,635,718	\$ 37,537,094	\$ 46,089,278	\$ 43,790,749
Special Education	11,247,415	14,259,892	14,795,513	14,015,994	15,165,972	16,017,452	15,712,840	14,581,653	13,790,800	13,351,983
Other Education	3,490,781	2,696,274	2,992,762	3,711,081	4,457,171	3,869,094	3,476,881	3,543,388	2,004,370	1,779,315
School Sponsored Activities and Athletics	858,266	901,700	939,711	942,304	1,125,987	1,378,097	1,270,129	1,298,940	1,390,185	1,320,951
Support Services:										
Tuition	-									
Student & Instruction Related Services	8,466,757	8,242,412	9,153,952	9,317,872	10,249,971	10,418,561	10,190,037	10,575,755	14,567,413	14,295,557
General Administrative Services	2,300,841	1,739,238	2,142,876	2,737,192	2,305,809	2,342,139	2,124,309	2,000,525	2,086,359	2,017,007
School Administrative Services	4,612,201	5,404,032	4,435,456	6,331,181	7,664,156	7,356,090	6,638,604	7,012,283	7,968,182	7,551,053
Central Administrative Services		1,314,961	1,652,492	1,687,127	1,813,496	1,788,962	2,023,229	2,128,628	2,891,109	3,011,439
Plant Operations and Maintenance	6,035,508	7,725,157	5,635,419	6,350,149	6,853,846	7,766,723	7,565,970	8,221,959	9,050,672	12,164,019
Pupil Transportation	2,798,546	3,364,058	3,527,897	3,048,329	2,946,159	3,052,265	3,761,757	4,057,620	3,028,888	4,461,757
Unallocated Depreciation	640,723									
Interest on Long Term Debt		79,305	88,069	108,879	115,860	554,394	1,795,797	1,740,526	1,761,608	1,881,380
Total Governmental Activities Expenses	68,547,297	75,086,390	77,212,666	81,454,672	89,814,281	93,154,963	92,195,271	92,698,371	104,628,864	105,625,210
Business-Type Activities:										
Food Service	2,069,270	2,128,248	2,114,192	2,115,354	2,174,321	1,907,017	2,467,193	2,145,825	2,295,805	3,585,587
Total Business-Type Activities Expense	2,069,270	2,128,248	2,114,192	2,115,354	2,174,321	1,907,017	2,467,193	2,145,825	2,295,805	3,585,587
Total District Expenses	\$ 70,616,567	\$ 77,214,638	\$ 79,326,858	\$ 83,570,026	\$ 91,988,602	\$ 95,061,980	\$ 94,662,464	\$ 94,844,196	\$ 106,924,669	\$ 109,210,797
Program Revenues										
Governmental Activities:										
Charges for Services		35,448	151,999	230,509	181,435	181,187	141,378	40,644	123,046	326,916
Operating Grants and Contributions	8,800,769	11,453,747	19,446,982	23,332,011	29,122,236	30,712,757	26,571,885	25,298,745	38,404,754	33,895,238
Capital Grants and Contributions	-	5,657	8,697	87,646	154,984	107,711	40,348	64,958	247,504	577,598
Total Governmental Activities Program Revenues	8,800,769	11,494,852	19,607,678	23,650,166	29,458,655	31,001,655	26,753,611	25,404,347	38,775,304	34,799,752

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-Type Activities:										
Charges for Services										
Food Service	\$ 613,357	\$ 706,289	\$ 673,996	\$ 666,206	\$ 650,743	\$ 643,355	\$ 735,937	\$ 454,073	\$ -	\$ 148,926
Operating Grants and Contributions	1,271,126	1,301,807	1,337,727	1,355,359	1,428,598	1,263,351	1,863,753	1,951,230	3,587,941	3,685,267
Total Business Type Activities Program Revenues	<u>1,884,483</u>	<u>2,008,096</u>	<u>2,011,723</u>	<u>2,021,565</u>	<u>2,079,341</u>	<u>1,906,706</u>	<u>2,599,690</u>	<u>2,405,303</u>	<u>3,587,941</u>	<u>3,834,193</u>
Total District Program Revenues	<u>\$ 10,685,252</u>	<u>\$ 13,502,948</u>	<u>\$ 21,619,401</u>	<u>\$ 25,671,731</u>	<u>\$ 31,537,996</u>	<u>\$ 32,908,361</u>	<u>\$ 29,353,301</u>	<u>\$ 27,809,650</u>	<u>\$ 42,363,245</u>	<u>\$ 38,633,945</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (59,746,528)	\$ (63,591,538)	\$ (57,604,988)	\$ (57,804,506)	\$ (60,355,626)	\$ (62,153,308)	\$ (65,441,660)	\$ (67,294,024)	\$ (65,853,560)	\$ (70,825,458)
Business-Type Activities	(184,787)	(120,152)	(102,469)	(93,789)	(94,980)	(311)	132,497	259,478	1,292,136	248,606
Total District-Wide Net Expense	<u>\$ (59,931,315)</u>	<u>\$ (63,711,690)</u>	<u>\$ (57,707,457)</u>	<u>\$ (57,898,295)</u>	<u>\$ (60,450,606)</u>	<u>\$ (62,153,619)</u>	<u>\$ (65,309,163)</u>	<u>\$ (67,034,546)</u>	<u>\$ (64,561,424)</u>	<u>\$ (70,576,852)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 32,959,663	\$ 34,177,243	\$ 36,249,715	\$ 37,665,506	\$ 38,667,832	\$ 39,764,229	\$ 40,082,343	\$ 40,954,080	\$ 42,473,162	\$ 43,322,625
Debt Service Levy							1,604,063	1,892,376	1,796,059	1,792,063
Unrestricted Grants and Contributions	26,074,345	22,253,116	22,982,748	22,214,027	22,523,414	23,411,569	22,973,588	25,179,331	25,990,341	29,622,161
Restricted Grants and Contributions	69,485							1,385,574	543,491	557,375
Investment Earnings										
Miscellaneous Income	93,266	91,045	113,690	286,923	161,086	736,630	1,928,687	813,070	739,783	362,044
Transfers			(105,000)							
Total Governmental Activities	<u>59,196,759</u>	<u>56,521,404</u>	<u>59,241,153</u>	<u>60,166,456</u>	<u>61,352,332</u>	<u>63,912,428</u>	<u>66,588,681</u>	<u>70,224,431</u>	<u>71,542,836</u>	<u>75,656,268</u>
Business-Type Activities:										
Investment Earnings	219	174	176	477	536	2,291	5,002	3,609	418	1,765
Transfers			105,000							
Total Business-Type Activities	<u>219</u>	<u>174</u>	<u>105,176</u>	<u>477</u>	<u>536</u>	<u>2,291</u>	<u>5,002</u>	<u>3,609</u>	<u>418</u>	<u>1,765</u>
Total District-Wide	<u>\$ 59,196,978</u>	<u>\$ 56,521,578</u>	<u>\$ 59,346,329</u>	<u>\$ 60,166,933</u>	<u>\$ 61,352,868</u>	<u>\$ 63,914,719</u>	<u>\$ 66,593,683</u>	<u>\$ 70,228,040</u>	<u>\$ 71,543,254</u>	<u>\$ 75,658,033</u>
Change in Net Position										
Governmental Activities	\$ (549,769)	\$ (7,070,134)	\$ 1,636,165	\$ 2,361,950	\$ 996,706	\$ 1,759,120	\$ 1,147,021	\$ 2,930,407	\$ 5,689,276	\$ 4,830,810
Business-Type Activities	(184,568)	(119,978)	2,707	(93,312)	(94,444)	1,980	137,499	263,087	1,292,554	250,371
Total District	<u>\$ (734,337)</u>	<u>\$ (7,190,112)</u>	<u>\$ 1,638,872</u>	<u>\$ 2,268,638</u>	<u>\$ 902,262</u>	<u>\$ 1,761,100</u>	<u>\$ 1,284,520</u>	<u>\$ 3,193,494</u>	<u>\$ 6,981,830</u>	<u>\$ 5,081,181</u>

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021
General Fund										
Restricted				\$ 676,149	\$ 1,579,805	\$ 2,614,685	\$ 3,858,582	\$ 4,741,995	\$ 6,282,364	\$ 5,210,954
Committed							159,300		-	2,499,820
Assigned	\$ 411,044	\$ 584,066	\$ 551,059	966,275	893,042	1,407,696	1,064,075	1,043,033	1,813,137	2,201,458
Unassigned	<u>(1,640,025)</u>	<u>(6,920,154)</u>	<u>(1,981,773)</u>	<u>(1,863,401)</u>	<u>(1,845,705)</u>	<u>(1,915,481)</u>	<u>(2,120,613)</u>	<u>(2,435,768)</u>	<u>(2,425,035)</u>	<u>(2,754,223)</u>
Total General Fund	<u><u>\$ (1,228,981)</u></u>	<u><u>\$ (6,336,088)</u></u>	<u><u>\$ (1,430,714)</u></u>	<u><u>\$ (220,977)</u></u>	<u><u>\$ 627,142</u></u>	<u><u>\$ 2,106,900</u></u>	<u><u>\$ 2,961,344</u></u>	<u><u>\$ 3,349,260</u></u>	<u><u>\$ 5,670,466</u></u>	<u><u>\$ 7,158,009</u></u>
All Other Governmental Funds										
Restricted	898,000	148,543	1,308,242	1,650,496	755,108	47,617,988	34,440,663	19,142,218	3,343,588	208,377
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(87,858)</u>	<u>(216,954)</u>	<u>(486,395)</u>
Total all other governmental funds	<u><u>\$ 898,000</u></u>	<u><u>\$ 148,543</u></u>	<u><u>\$ 1,308,242</u></u>	<u><u>\$ 1,650,496</u></u>	<u><u>\$ 755,108</u></u>	<u><u>\$ 47,617,988</u></u>	<u><u>\$ 34,440,663</u></u>	<u><u>\$ 19,054,360</u></u>	<u><u>\$ 3,126,634</u></u>	<u><u>\$ (278,018)</u></u>

Note - Fund Balances at June 30, 2020 are restated to reflect the implementation of GASB No. 84, "Fiduciary Activities".

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax Levy	\$ 32,959,663	\$ 34,177,243	\$ 36,249,715	\$ 37,665,506	\$ 38,667,832	\$ 39,764,229	\$ 41,686,406	\$ 42,846,456	\$ 44,269,221	\$ 45,114,688
Tuition		21,168	151,649	230,509	181,435	181,187	107,063	29,144	39,334	100,734
Transportation Fees		14,280	350				34,315	11,500	-	-
Miscellaneous	93,266	116,401	144,339	286,276	187,963	653,948	1,862,134	647,786	494,738	540,118
State Sources	32,400,542	31,221,147	33,369,666	33,425,734	34,601,723	36,621,456	39,708,760	45,372,050	51,219,682	60,644,140
Federal Sources	2,474,572		2,304,352	3,182,483	2,747,104	2,837,765	2,974,068	2,791,913	5,094,318	6,918,635
Private Sources	69,485	-	-	-	-	-	-	-	-	-
Total revenue	67,997,528	65,550,239	72,220,071	74,790,508	76,386,057	80,058,585	86,372,746	91,698,849	101,117,293	113,318,315
Expenditures										
Instruction										
Regular Instruction	20,455,246	28,237,321	27,736,394	27,776,518	28,746,500	30,966,696	33,775,950	34,815,598	41,115,125	45,938,524
Special Education Instruction	9,665,269	13,886,060	13,859,517	12,883,573	13,153,460	13,814,685	14,691,214	14,185,604	12,709,966	14,025,874
Other Instruction	2,463,787	2,589,920	2,593,607	3,125,208	3,427,976	3,041,495	3,090,547	3,313,606	1,771,452	1,900,551
School Sponsored Activities and Athletics	663,163	871,950	922,027	909,795	1,042,918	1,110,925	1,143,444	1,225,156	1,250,249	1,379,880
Support Services:										
Instruction - Tuition										
Student & Inst. Related Services	6,405,219	7,963,690	8,183,981	8,081,925	8,330,889	8,657,642	9,383,166	10,038,792	13,398,355	14,965,646
General Administrative		1,702,703	2,085,684	2,665,188	2,171,704	2,097,127	2,036,551	1,988,873	2,004,391	2,009,042
School Administrative Services	3,305,995	5,194,945	3,973,916	5,471,386	6,030,603	5,882,759	6,160,729	6,691,243	7,166,157	8,046,981
Central Administrative Services		1,280,768	1,523,341	1,624,441	1,702,511	1,584,020	1,933,306	2,141,175	2,808,279	3,355,996
Other Administrative Services	2,229,402	-	-	-	-	-	-	-	-	-
Operations and Maintenance	4,762,829	7,500,158	5,368,915	5,981,135	5,866,137	6,255,547	6,513,800	6,591,382	7,082,896	7,472,616
Pupil Transportation	2,514,617	3,291,038	3,477,562	2,917,804	2,766,544	2,791,865	3,679,611	4,069,479	2,909,913	4,293,666
Unallocated Benefits	16,611,562									
Debt Service										
Principal	375,339	734,819	1,490,947	1,916,388	1,830,984	2,136,698	1,885,123	3,913,753	3,360,104	4,966,065
Interest		54,313	82,028	107,605	111,972	92,727	1,707,986	1,718,089	1,861,509	1,944,517
Capital Outlay	1,334,449	2,751,170	2,238,017	1,971,380	1,251,128	2,226,684	13,277,200	20,368,838	17,983,451	13,439,027
Total Governmental Fund Expenditures	70,786,877	76,058,855	73,535,936	75,432,346	76,433,326	80,658,870	99,278,627	111,061,588	115,421,847	123,738,385
Excess (Deficiency) of revenues over (under) expenditures	(2,789,349)	(10,508,616)	(1,315,865)	(641,838)	(47,269)	(600,285)	(12,905,881)	(19,362,739)	(14,304,554)	(10,420,070)

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing sources (uses)										
Bond Proceeds						\$ 48,536,000				
Capital and Other Financing Agreements	\$ 1,937,873	\$ 2,186,035	\$ 3,323,512	\$ 2,193,829		402,666	\$ 583,000	\$ 3,904,725	\$ 698,034	\$ 1,837,669
Premium on Capital Financing Proceeds								274,000	-	-
Leases										6,162,859
Insurance Recoveries										502,433
Refunding Capital Leases						181,151	181,151			
Payment to Refund Capital Lease						(176,894)	(176,894)			
Transfers in						214,809	214,809	447,298	507,078	606,159
Transfers out			(105,000)			(214,809)	(214,809)	(447,298)	(507,078)	(606,159)
State Aid Advance Loan Proceeds		-	4,162,426							
Total other financing sources (uses)	<u>1,937,873</u>	<u>2,186,035</u>	<u>7,380,938</u>	<u>2,193,829</u>	<u>-</u>	<u>48,942,923</u>	<u>587,257</u>	<u>4,178,725</u>	<u>698,034</u>	<u>8,502,961</u>
Net change in fund balances	<u>\$ (851,476)</u>	<u>\$ (8,322,581)</u>	<u>\$ 6,065,073</u>	<u>\$ 1,551,991</u>	<u>\$ (47,269)</u>	<u>\$ 48,342,638</u>	<u>\$ (12,318,624)</u>	<u>\$ (15,184,014)</u>	<u>\$ (13,606,520)</u>	<u>\$ (1,917,109)</u>
Debt service as a percentage of noncapital expenditures	0.54%	1.08%	2.21%	2.76%	2.58%	2.84%	4.18%	6.21%	5.36%	6.27%

* Noncapital expenditures are total expenditures less capital outlay.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Transportation Fees</u>	<u>Interest on Investments</u>	<u>Gate Receipts</u>	<u>Miscellaneous Fees</u>	<u>Refunds</u>	<u>Rentals</u>	<u>Voided Outstanding Checks</u>	<u>E-Rate / Rebate</u>	<u>Other Misc.</u>	<u>Total</u>
2013			\$ 9,683			\$ 62,760					\$ 72,443
2014	\$ 21,168	\$ 14,280	7,892		\$ 11,087	37,228				\$ 34,723	126,378
2015	151,649	350	10,047			79,568				23,670	265,284
2016	230,509	850	12,454	\$ 9,423	8,342	126,738		\$ 84,144		42,318	514,778
2017	181,435	-	19,086	8,538	6,301	35,860				87,261	338,481
2018	181,187	-	64,523	11,551	31,066	128,464				152,591	569,382
2019	107,063	34,315	110,454	10,561	38,759	34,472		\$ 513,177		83,095	931,896
2020	29,144	11,500	77,734	10,766	2,311	26,504	\$ 24,857			6,489	189,305
2021	39,334		3,725	2,991	484	153,075	37,857		96,990	64,480	398,936
2022	100,734	-	10,350		2,383	191,481	41,850		3,581	16,269	366,648

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2013	\$ 44,590,880	\$ 1,994,921,600		\$ 294,635,600	\$ 133,782,550	\$ 213,202,050	\$ 2,681,132,680	\$ 6,186,500	\$ 2,687,319,180	\$ 2,918,535,288	\$ 1.272
2014	42,638,180	1,989,920,400		301,318,400	131,609,250	213,901,650	2,679,387,880	5,589,772	2,684,977,652	2,850,879,126	1.350
2015	43,391,480	1,989,053,050		300,728,800	129,236,250	219,413,050	2,681,822,630	5,591,772	2,687,414,402	2,799,204,926	1.402
2016	51,164,380	1,990,272,550		301,983,200	123,162,150	212,165,950	2,678,748,230	5,912,200	2,684,960,430	2,781,981,547	1.440
2017	41,897,880	1,993,404,400		296,131,350	128,147,550	209,359,250	2,668,940,430	6,505,628	2,675,446,058	2,719,414,127	1.486
2018	41,271,880	1,993,549,500		303,504,950	128,209,750	209,568,950	2,676,105,030	6,565,100	2,682,670,130	2,767,367,474	1.554
2019	45,113,600	2,318,475,600		361,159,650	136,330,300	244,187,500	3,105,266,650	6,433,600	3,111,700,250	2,884,296,373	1.377
2020	55,708,100	2,319,392,850		350,242,750	131,250,200	241,654,700	3,098,248,600	6,586,826	3,105,335,426	3,162,166,188	1.426
2021	33,351,000	2,330,139,600		359,664,800	127,916,200	237,715,700	3,088,787,300	6,900,507	3,095,687,807	3,294,805,364	1.452
2022	33,351,000	2,330,139,600		359,664,800	127,916,200	237,715,700	3,088,787,300	6,298,783	3,095,086,083	3,415,417,999	1.494

Source: County Abstract of Ratables

^a Tax rates are per \$100

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Calendar Year	Total Direct School Tax Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Belleville Local School District	Municipality of Belleville	County of Essex		
2013	\$ 1.272	\$ 1.678	\$ 0.530	\$	3.480
2014	1.350	1.708	0.547		3.605
2015	1.402	1.765	0.537		3.704
2016	1.440	1.850	0.544		3.834
2017	1.486	1.867	0.524		3.877
2018	1.554	1.940	0.516		4.010
2019	1.377	1.714	0.450		3.541
2020	1.426	1.822	0.595		3.843
2021	1.452	1.833	0.510		3.795
2022	1.494	1.849	0.508		3.851

Source: Municipal Tax Collector

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
LAST YEAR AND SEVEN YEARS AGO
(Unaudited)**

Taxpayer	2022		2015	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Branch Brook Garden	\$ 34,339,800	1.11%	\$ 36,722,900	1.37%
432 Owners, Inc	21,635,800	0.70%	17,250,000	0.64%
Clara Maass Medical Center	15,668,100	0.51%		
Route 21 Assoc. of BLV, LLC	-		14,400,000	0.54%
Belleville Industrial Center	-		12,500,000	0.47%
CRP/LEG Belleville Owner. LLC	13,606,200	0.44%		
SROA Belleville Property, LLC	13,207,100	0.43%		
Oster Belleville Properties, LLC	11,802,400	0.38%		
Belleville Industrial Properties			11,405,000	0.42%
Belleville Center, LLC			10,997,700	0.41%
Bellevue Gardens, LLC	10,000,000	0.32%	10,804,200	0.40%
SH 726 LLC	9,800,300	0.32%	7,900,000	0.29%
Clara Maass c/o Altus Group	9,336,200	0.30%		
Venture, Draisin-Levco Blvllle Assoc.	9,328,600	0.30%	7,661,500	0.29%
	<u>\$ 148,724,500</u>	<u>4.81%</u>	<u>\$ 140,135,900</u>	<u>5.21%</u>

Source: Municipal Tax Assessor

Note: Principal taxpayers from nine years ago was not available, therefore the most available information is presented from seven years ago.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount Collected	Percentage of Levy
2013	\$ 32,959,663	\$ 32,959,663	100.00%	-	\$ 32,959,663	100.00%
2014	34,177,243	34,177,243	100.00%	-	34,177,243	100.00%
2015	36,249,715	36,249,715	100.00%	-	36,249,715	100.00%
2016	37,665,506	37,665,506	100.00%	-	37,665,506	100.00%
2017	38,667,832	38,667,832	100.00%	-	38,667,832	100.00%
2018	39,764,229	39,764,229	100.00%	-	39,764,229	100.00%
2019	41,686,406	41,686,406	100.00%	-	41,686,406	100.00%
2020	42,846,456	42,846,456	100.00%	-	42,846,456	100.00%
2021	44,269,221	44,269,221	100.00%	-	44,269,221	100.00%
2022	45,114,688	43,023,557	95.36%	\$ 2,091,131	45,114,688	100.00%

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities					Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements	Other Financing Agreements	State Aid Advance Loan	Leases			
2013	-	-	-	-	-		35,845	\$ -
2014		\$ 2,815,293	\$ 198,458			\$ 3,013,751	35,876	84
2015		4,731,651	114,665	\$ 4,162,426		9,008,742	35,922	251
2016		5,540,000		3,746,183		9,286,183	35,950	258
2017		4,125,259		3,329,940		7,455,199	35,994	207
2018	\$ 48,536,000	2,547,481	264,246	2,931,697		54,279,424	35,977	1,509
2019	44,640,000	1,343,586	582,261	2,497,454		49,063,301	36,630	1,339
2020	46,010,000	4,563,414	295,648	2,081,211		52,950,273	36,644	1,445
2021	44,640,000	4,302,577	-	1,664,968	\$ 5,494,651	56,102,196	36,446	1,539
2022	43,235,000	4,578,758	-	1,248,725	10,074,176	59,136,659	37,774	1,566

* Estimate

Source: District records

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita
	General Obligation Bonds	Deductions			
2012			-	0.00%	-
2013			-	0.00%	-
2014			-	0.00%	-
2015			-	0.00%	-
2016			-	0.00%	-
2017			-	0.00%	-
2018	\$ 48,536,000		\$ 48,536,000	1.56%	\$ 1,349
2019	48,536,000		48,536,000	1.56%	1,325
2020	46,010,000		46,010,000	1.49%	1,256
2021	43,235,000		43,235,000	1.40%	1,145

Source: District records

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Belleville Township School District (as of June 30, 2022)	\$ 43,235,601
Township of Belleville	<u>34,748,147</u>
	<u>77,983,748</u>
Overlapping Debt Apportioned to the Municipality:	
Essex County:	
County of Essex (A)	23,758,662
Passaic Valley Sewerage Authority (B)	<u>9,581,075</u>
Total Overlapping Debt	<u>33,339,737</u>
Total Direct and Overlapping Debt	<u>\$ 111,323,485</u>

Source:

(1) Township's 2021 Annual Debt Statement

(A) The debt for this entity was apportioned to the municipality by dividing the municipality's 2021 equalized value by the total 2021 equalized value for Essex County.

(B) The debt was computed based upon municipal flow to the Authority.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized valuation basis
	2021 \$ 3,397,496,275
	2020 \$ 3,261,154,073
	2019 \$ 3,134,416,726
	<u>\$ 9,793,067,074</u>
Average equalized valuation of taxable property	<u>\$ 3,264,355,691</u>
Debt limit (4 % of average equalization value)	\$ 130,574,228
Total Net Debt Applicable to Limit	<u>43,235,601</u>
Legal debt margin	<u>\$ 87,338,627</u>

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 135,233,184	\$ 125,924,316	\$ 113,753,774	\$ 111,578,386	\$ 109,971,672	\$ 109,508,735	\$ 110,295,761	\$ 116,108,287	\$ 123,192,804	\$ 130,574,228
Total net debt applicable to limit	-	-	-	-	-	48,536,601	48,536,601	46,010,601	44,640,601	43,235,601
Legal debt margin	<u>\$ 135,233,184</u>	<u>\$ 125,924,316</u>	<u>\$ 113,753,774</u>	<u>\$ 111,578,386</u>	<u>\$ 109,971,672</u>	<u>\$ 60,972,134</u>	<u>\$ 61,759,160</u>	<u>\$ 70,097,686</u>	<u>\$ 78,552,203</u>	<u>\$ 87,338,627</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	44.32%	44.01%	39.63%	36.24%	33.11%

Source: Annual Debt Statements

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	35,845	\$ 53,030	9.50%
2014	35,876	53,771	7.90%
2015	35,922	54,554	6.30%
2016	35,950	57,133	5.40%
2017	35,994	59,395	5.20%
2018	35,977	60,735	4.60%
2019	36,630	62,659	4.50%
2020	36,644	63,521	11.90%
2021	36,446	65,927	7.50%
2022	37,774	70,497	not available

Source: New Jersey State Department of Education

(E) - Estimate

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS,
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

	2022		2013	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
Employer				

INFORMATION IS NOT AVAILABLE

;

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	327.0	249.0	270.0	293.0	238.0	229.0	250.0	254.0	288.0	325.0
Special Education	45.0	144.0	138.0	45.0	70.0	53.0	73.0	77.0	76.0	79.0
Other Special Education	28.0	29.0	29.0	44.0	104.0	107.0	103.0	108.0	118.0	116.0
Other Instruction		1.0	1.0	1.0	-	-				
Support Services:										
Student and Instruction Related Services	56.0	69.0	67.0	33.0	51.0	33.0	33.0	33.0	35.0	43.0
General Administrative Services	5.0	;	5.0	5.0	11.0	-	-			-
School Administrative Services	27.0	39.0	42.0	21.0	17.0	35.0	35.0	35.0	35.0	39.0
Central Services	8.0	6.0	7.0	7.0	10.0	50.0	50.0	50.0	50.0	31.0
Administrative Information Technology	1.0	1.0	1.0	4.0	3.0	3.0	7.0	7.0	8.0	8.0
Plant Operations and Maintenance	59.0	50.0	47.0	36.0	39.0	36.0	36.0	36.0	46.0	50.0
Pupil Transportation	15.0	36.0	35.0	15.0	14.0	26.0	26.0	26.0	28.0	31.0
Other Support Services	18.0	23.0	23.0	16.0	15.0	63.0	63.0	63.0	51.0	57.0
		-								
Total	<u>589.0</u>	<u>647.0</u>	<u>665.0</u>	<u>520.0</u>	<u>572.0</u>	<u>635.0</u>	<u>676.0</u>	<u>689.0</u>	<u>735.0</u>	<u>779.0</u>

Source: District Personnel Records

N/A - Information is not available.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle School	High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2013	4,638	\$ 69,077,090	\$ 14,894	9.45%	328	12.3	11.9	11.9	N/A	N/A	N/A	N/A
2014	4,650	72,518,553	15,595	4.71%	342	12.3	16.3	13.7	4,430.8	4,428.5	N/A	99.95%
2015	4,761	69,724,944	14,645	-6.09%	342	12.6	16.9	13.4	4,666.1	4,461.4	5.31%	95.61%
2016	4,642	71,436,973	15,389	5.08%	338	14.0	13.8	12.3	4,593.4	3,977.8	-1.56%	86.60%
2017	4,587	73,239,242	15,967	3.75%	342	14.2	14.0	12.7	4,464.6	4,047.9	-2.80%	90.67%
2018	4,495	76,202,761	16,953	6.18%	390	13.7	15.2	14.6	4,487.2	4,182.5	0.51%	93.21%
2019	4,492	82,408,318	18,346	8.22%	406	16.5	2.2	12	4,464.1	4,207.7	-0.52%	94.26%
2020	4,551	85,060,908	18,691	1.88%	415	9.7	9.7	9.1	4,528.8	4,344.8	1.45%	95.94%
2021	4,515	92,216,783	20,425	9.28%	444	15.4	14.7	15.8	4,386.3	4,261.1	-3.15%	97.15%
2022	4,731	103,388,776	21,853	7.00%	404	11.9	12.0	11.2	4,533.0	4,197.6	3.34%	92.60%

Sources: District records .

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

N/A - Information not available.

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Building</u>										
<u>Preschool</u>										
Hornblower Early Childhood Center										
Square Feet									7,340	38,690
Capacity Students									75	200
Enrollment									66	177
<u>Elementary</u>										
School Three										
Square Feet	43,852	43,852	42,852	42,852	42,852	48,852	48,852	48,852	48,852	48,852
Capacity Students	299	299	299	299	299	299	299	299	299	299
Enrollment	388	342	341	338	306	343	389	350	330	334
School Four										
Square Feet	64,647	64,647	64,647	64,647	64,647	64,647	64,647	64,647	64,647	64,647
Capacity Students	434	434	434	434	434	434	434	434	434	434
Enrollment	410	368	374	360	349	322	427	459	478	473
School Five										
Square Feet	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434	44,434
Capacity Students	333	333	333	333	333	333	333	333	333	333
Enrollment	413	339	347	308	328	355	424	401	384	403
School Seven										
Square Feet	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030	52,030
Capacity Students	387	387	387	387	387	387	387	387	387	387
Enrollment	378	364	370	396	388	380	431	450	397	426
School Eight										
Square Feet	41,283	41,283	41,283	41,283	41,283	41,283	41,283	41,283	41,283	41,283
Capacity Students	430	430	430	430	430	430	430	430	430	430
Enrollment	542	465	447	430	430	442	511	498	470	491
School Nine										
Square Feet	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167
Capacity Students	158	158	158	158	158	158	158	158	158	158
Enrollment	156	119	114	116	127	127	134	138	122	113
School Ten										
Square Feet	24,401	24,401	24,401	24,401	24,401	24,401	24,401	24,401	24,401	24,401
Capacity Students	169	169	169	169	169	169	169	169	169	169
Enrollment	214	166	163	148	166	168	171	151	158	173
<u>Middle School</u>										
Square Feet	148,552	148,552	148,552	148,552	148,552	148,552	148,552	148,552	148,552	148,552
Capacity Students	639	639	639	639	639	639	639	639	639	639
Enrollment	667	1,046	1,046	1,024	974	973	621	711	741	700
<u>High School</u>										
Square Feet	208,454	208,454	208,454	208,454	208,454	208,454	208,454	208,454	208,454	208,454
Capacity Students	1,474	1,474	1,474	1,474	1,474	1,474	1,474	1,474	1,474	1,474
Enrollment	1,443	1,510	1,460	1,404	1,388	1,378	1,356	1,393	1,341	1,441

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Building</u>										
<u>Other</u>										
Garage Middle School Square Feet	465	465	465	465	465	465	465	465	465	465
Field House Square Feet	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
Field House Square Feet	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
Plant Building Square Feet	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
487 Greylock Square Feet										1,524
499 Greylock Square Feet										1,558
335 Union Square Feet										1,490
387 Union Square Feet										1,260
567 Franklin Square Feet										3,620
Athletic Facility Square Feet										25,000
Number of Schools at June 30, 2022										
Preschool - 1										
Elementary - 7										
Middle School - 1										
High School - 1										
Other -11										

Source: District Records

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-XXX**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
School Facilities										
School Three	\$ 90,411	\$ 115,324	\$ 76,151	\$ 65,827	\$ 71,216	\$ 88,401	\$ 89,785	\$ 92,859	\$ 49,199	\$ 49,240
School Four	74,583	95,135	62,820	54,303	58,749	72,925	74,067	76,603	193,284	193,445
School Five	51,547	65,751	;	37,531	40,603	50,401	51,190	52,943	75,529	75,592
School Seven	95,438	121,736	80,385	69,487	75,175	93,316	94,777	98,022	101,553	101,638
School Eight	102,985	131,363	86,742	74,982	81,120	100,695	102,272	105,774	106,584	106,672
School Nine	63,923	81,537	53,841	46,541	50,351	62,502	63,481	65,654	50,111	50,152
School Ten	42,567	54,297	35,854	30,993	33,530	41,622	42,274	43,721	18,297	18,312
Middle School	146,166	186,443	123,113	106,422	115,134	142,917	145,155	150,125	259,157	259,372
High School	<u>307,111</u>	<u>391,736</u>	<u>258,672</u>	<u>223,602</u>	<u>241,907</u>	<u>300,282</u>	<u>304,984</u>	<u>315,427</u>	<u>631,904</u>	<u>632,429</u>
Grand Total	<u>\$ 974,731</u>	<u>\$ 1,243,322</u>	<u>\$ 777,578</u>	<u>\$ 709,688</u>	<u>\$ 767,785</u>	<u>\$ 953,061</u>	<u>\$ 967,984</u>	<u>\$ 1,001,128</u>	<u>\$ 1,485,618</u>	<u>\$ 1,486,852</u>

Source: District Records

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2022
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - N.J. Schools Insurance Group		
Property:		
Blanket Building and Contents	\$ 160,718,897	
Boiler and Machinery	100,000,000	\$ 5,000
Real and Personal Property	500,000,000	5,000
Extra Expense	50,000,000	5,000
Valuable Papers and Records	10,000,000	5,000
Demolition and Increased Costs of Construction	25,000,000	
Fire Department Service Charge/Arson Reward	10,000	
Pollutant Cleanup and Removal	250,000	
Special Flood Hazard Area Flood Zones	25,000,000	500,000
All Flood Zones	75,000,000	10,000
Accounts Receivable	250,000	
Earthquake	50,000,000	
Terrorism	1,000,000	
Comprehensive General Liability		
Bodily Injury from Products and Completed Operations	16,000,000	N/A
Product & Completed Operations	16,000,000	
Personal & Advertising Injury	16,000,000	
Sexual Abuse	15,000,000	
Employee Benefits Liability	16,000,000	
Premises Medical Payments	10,000	
	5,000	per limit
Electronic Data Processing:		
Hardware/Software	500,000,000	1,000
Computer Virus	250,000	1,000
Crime:		
Blanket Dishonest	500,000	1,000
Forgery or Alteration	100,000	1,000
Money and Securities	100,000	1,000
Money Order/Counterfeit	100,000	1,000
Computer Fraud	500,000	1,000
Public Officials Bond:		
Board Secretary	425,000	
Treasurer	400,000	
Automobile:		
Comprehensive Automobile Liability	16,000,000	1,000
Uninsured/Underinsured Motorists	1,000,000	
Personal Injury Protection	250,000	
Garage keepers Liability	Included	
Worker's Compensation	Statutory Limits	
Excess Liability (through NJUEP)	20,000,000	
Student Accident Insurance - Bollinger:		
Maximum Benefit Blanket Athletic Coverage Including Football	5,000,000	
Disability Plan for All Students	1,000,000	

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Belleville Township School District
Belleville, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Belleville Township School District as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Belleville Township School District's basic financial statements and have issued our report thereon dated March 6, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Belleville Township School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated March 6, 2023.

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 Belleville Township School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Belleville Township School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
March 6, 2023



LERCH, VINCI & BLISS, LLP

EXHIBIT K-2

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
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CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Belleville Township School District
Belleville, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Belleville Township School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Belleville Township School District's major federal and state programs for the fiscal year ended June 30, 2022. The Belleville Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Belleville Township School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Belleville Township School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Belleville Township School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Belleville Township School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Belleville Township School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Belleville Township School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Belleville Township School District's response to the noncompliance finding identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The Belleville Township School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

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 Belleville Township School District, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We have issued our report thereon dated March 6, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

LERCH, VINCI & BLISS, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
March 6, 2023

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2021			Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Refund of Prior Years Balances	Adjustments	Balance, June 30, 2022			Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue	Due to Grantor							(Account Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Agriculture																	
Passed-through State Department of Education																	
<u>Enterprise Fund</u>																	
National School Lunch Program - Non Cash	10.555	221NJ304N1099	7/1/21-6/30/22	\$ 167,647					\$ 167,647	\$ 155,387				\$ 12,260		-	
National School Lunch Program - Non Cash	10.555	211NJ304N1099	7/1/20-6/30/21	188,013		14,882				14,882						-	
National School Lunch Program	10.555	221NJ304N1099	7/1/21-6/30/22	2,507,051					2,285,605	2,507,051			\$ (221,446)		\$ (221,446)		
National School Breakfast Program	10.553	221NJ304141099	7/1/21-6/30/22	728,260					672,693	728,260			(55,567)		(55,567)		
Summer Food Service Program	10.559	221NJ304N1099	7/1/21-8/31/22	216,206					216,206	216,206							
Summer Food Service Program	10.559	211NJ304N1099	7/1/20-6/30/21	3,385,841	\$ (299,102)				299,102								
Total Child Nutrition Cluster					(299,102)	14,882			3,641,253	3,621,786			(277,013)	12,260		(277,013)	
NSLP Emergency Op Costs	10.558	211NJ304N1099	7/1/20-6/30/21	7,426	(7,426)				7,426								
Pandemic EBT Admin Costs	10.649	221NJ304N1099	7/1/21-6/30/22	3,135					3,135	3,135							
Pandemic EBT Admin Costs	10.649	211NJ304N1099	7/1/20-6/30/21	3,063	(3,063)				3,063								
Total U.S Department of Agriculture					(10,489)				13,624	3,135							
Total Enterprise Fund					(309,591)	14,882			3,654,877	3,624,921			(277,013)	12,260		(277,013)	
<u>General Fund</u>																	
U.S. Department of Health and Human Services																	
Passed-through State Department of Education																	
Medical Assistance Program (SEMI)	93.778	2005NJSMAP	7/1/21-6/30/22	149,215						142,489	149,215			(6,726)		(6,726)	
U.S. Department of Homeland Security																	
FEMA - Public Asst. Grant - COVID	97.036	N/A	7/1/21-6/30/22	228,639					228,639	228,639							
FEMA - Public Asst. Grant - COVID	97.036	N/A	7/1/20-6/30/21	59,997	(59,997)					59,997							
FEMA - Public Asst. Grant - COVID	97.036	N/A	3/22/19-6/30/20	80,794	(80,794)				80,794								
Total General Fund					(140,791)				511,919	377,854			(6,726)			(6,726)	
U.S. Department of Education																	
Passed-through State Department of Education																	
<u>Special Revenue Fund</u>																	
IDEA Part B, Basic	84.027	H027A210100	7/1/21-9/30/22	1,127,311			\$ 19,860	\$ (19,860)	1,039,875	1,138,514			(107,296)	8,657		(98,639)	
IDEA Part B, Basic	84.027	H027A200100	7/1/20-9/30/21	1,111,842	(86,724)	19,860	(19,860)	19,860	66,864								
IDEA Part B, APR Basic	84.027X	H027X210100	7/1/21-9/30/22	241,236					92,680	238,261			(148,556)	2,975		(145,581)	
IDEA Part B, Preschool Handicapped	84.173	H173A210114	7/1/21-9/30/22	26,642					26,642	26,642							
IDEA Part B, ARP Preschool Handicapped	84.173X	H173X210114	7/1/21-9/30/22	20,490					20,490	20,490							
Total Special Education Cluster					(86,724)	19,860			1,246,551	1,423,907			(255,852)	11,632		(244,220)	
Carl D. Perkins Vocation Education	84.048A	V048A210030	7/1/21-9/30/22	45,280					29,453	29,453							
Carl D. Perkins Vocation Education	84.048A	V048A200030	7/1/20-9/30/21	53,800		2,000									2,000		
Carl D. Perkins Vocation Education	84.048A	V048A190030	7/1/19-6/30/20	52,977		543						543					
Total Carl D. Perkins Vocation Education						2,543			29,453	29,453		543			2,000		
ESEA - Title I, Part A	84.010	S010A210030	7/1/21-9/30/22	1,093,812			59,109	(59,109)	649,827	971,430			(503,094)	181,491		(321,603)	
ESEA - Title I, Part A	84.010	S010A200030	1/1/20-9/30/21	1,188,446	(334,411)	59,109	(59,109)	59,109	275,302								
ESEA - Title I, Part A Re-Allocated	84.010	S010A200030	7/1/20-9/30/21	120,225	(55,787)				21,313	21,313			(34,474)	34,474			
Total ESEA Title I					(390,198)	114,896			946,442	992,743			(537,568)	215,965		(321,603)	
ESEA Title II, Part A	84.367A	S367A210029	7/1/21-9/30/22	178,596			75,113	(75,113)	103,412	145,313			(150,297)	108,396		(41,901)	
ESEA Title II, Part A	84.367A	S367A200029	7/1/20-9/30/21	197,099	(109,468)	75,113	(75,113)	75,113	34,355								
Total ESEA Title II					(109,468)	75,113			137,767	145,313			(150,297)	108,396		(41,901)	

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2021			Carryover/ (Walkover)	Carryover/ (Walkover)	Cash Received	Budgetary Expenditures	Refund of Prior Years Balances	Adjustments	Balance, June 30, 2022			Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue	Due to Grantor	Amount Def. Rev.	Amount A/R					(Account Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education																	
Passed-through State Department of Education																	
Special Revenue Fund																	
ESEA Title III - Language	84.365	S365A200030	7/1/21-9/30/22	\$ 55,742				\$ 24,292	\$ (24,292)	\$ 11,544	\$ 58,146			\$ (68,490)	\$ 21,888	\$ (46,602)	
ESEA Title III - Language	84.365	S365A200030	7/1/20-9/30/21	43,041	(40,068)	24,292		(24,292)	24,292	15,776				-	-	-	
ESEA Title III - Immigrant	84.365	S365A200030	7/1/21-9/30/22	24,285				9,761	(9,761)	3,033	32,893			(31,013)	1,153	(29,860)	
ESEA Title III - Immigrant	84.365	S365A200030	7/1/20-9/30/21	21,650	(24,011)	9,761		(9,761)	9,761	14,250				-	-	-	
Total ESEA Title III					(64,079)	34,053				44,603	91,039			(99,503)	23,041	(76,462)	
ESEA Title IV	84.424	S424A210031	7/1/21-9/30/22	83,463				10,659	(10,659)	16,647	68,212			(77,475)	25,910	(51,565)	
ESEA Title IV	84.424	S424A200031	7/1/20-9/30/21	77,825	(25,585)	10,658		(10,659)	10,659	14,927				-	-	-	
Total ESEA Title IV					(25,585)	10,658				31,574	68,212			(77,475)	25,910	(51,565)	
CARES Act	84.425D	S425D200027	3/13/20-9/30/22	893,607	-	1,629		-	-		1,621			-	8	-	
CRRSA - ESSER II	84.425D	S425D200027	3/13/20-9/30/23	3,747,907	(3,747,907)	2,180,887				1,228,865	1,405,026			(2,519,042)	775,861	(1,743,181)	
CRRSA - Learning Acceleration	84.425D	S425D200027	3/13/20-9/30/23	240,521	(240,521)	240,521				155,427	222,359			(85,094)	18,162	(66,932)	
CRRSA - Mental Health	84.425D	S425D200027	3/13/20-9/30/23	45,000	(45,000)	45,000					17,056			(45,000)	27,944	(17,056)	
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	8,423,180							1,041,486			(8,423,180)	7,381,694	(1,041,486)	
ARP Accelerated Learning Coach & Educator Support	84.425U	S425U210027	3/13/20-9/30/24	450,225										(450,225)	450,225	-	
ARP Evidence Based Summer Learning & Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000										(40,000)	40,000	-	
ARP Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000										(40,000)	40,000	-	
ARP NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000										(45,000)	45,000	-	
Total CARES/ESSER Cluster					(4,033,428)	2,468,037				1,384,292	2,687,548			(11,647,541)	8,778,894	(2,868,655)	
Coronavirus State and Local Fiscal Recovery																	
Additional or Compensatory Special Education and Related Ser	21.027	SLFRFDOE1SES	7/1/21-6/30/22	355,165							355,165			(355,165)	-	(355,165)	
Total CRF Cluster														(355,165)	-	(355,165)	
Total Special Revenue Fund					\$ (4,709,482)	\$ 2,722,617	\$ 2,543	\$ -	\$ -	\$ 3,820,682	\$ 5,793,380	\$ 543	\$ -	\$ (13,123,401)	\$ 9,163,838	\$ 2,000	\$ (3,959,571)
Total Federal Awards					\$ (5,159,864)	\$ 2,737,499	\$ 2,543	\$ -	\$ -	\$ 7,987,478	\$ 9,796,155	\$ 543	\$ -	\$ (13,407,140)	\$ 9,176,098	\$ 2,000	\$ (4,243,310)

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021	Carryover Amount	Cash Received	Budgetary Expenditures	Transfers / Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2022			Memo	
										(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund:														
Equalization Aid	22-495-034-5120-0778	7/1/21-6/30/22	\$ 30,028,002			\$ 27,055,929	\$ 30,028,002				\$ (2,972,073)			\$ 30,028,002
Equalization Aid	21-495-034-5120-0778	7/1/20-6/30/21	26,068,341	(2,566,232)		2,566,232					-			-
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	3,112,840			2,804,741	3,112,840				(308,099)			3,112,840
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	3,112,840	(306,436)		306,436					-			-
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	1,686,624			1,519,688	1,686,624				(166,936)			1,686,624
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	1,686,624	(166,036)		166,036					-			-
Total State Aid Public Cluster				(3,038,704)		34,419,062	34,827,466				(3,447,108)			34,827,466
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	625,449			563,544	625,449				(61,905)			625,449
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	625,449	(61,572)		61,572					-			-
Non-Public School Transportation	22-495-034-5120-014	7/1/21-6/30/22	75,400				75,400				(75,400)		(75,400)	75,400
Non-Public School Transportation	21-495-034-5120-014	7/1/20-6/30/21	80,040	(80,040)		80,040					-		-	-
Total Transportation Aid Cluster				(141,612)		705,156	700,849				(137,305)		(75,400)	700,849
Extraordinary Special Ed Costs Aid	22-495-034-5120-044	7/1/21-6/30/22	694,316				694,316				(694,316)			694,316
Extraordinary Special Ed Costs Aid	21-495-034-5120-044	7/1/20-6/30/21	905,634	(905,634)		905,634					-			-
On Behalf Payments														
TPAF Social Security	22-495-034-5094-003	7/1/21-6/30/22	2,761,668			2,624,313	2,761,668				(137,355)		(137,355)	2,761,668
TPAF Social Security	21-495-034-5094-003	7/1/20-6/30/21	2,593,020	(143,463)		143,463					-		-	-
TPAF Contributions:														
Pension - NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	177,989			177,989	177,989							177,989
Pension Benefit Contribution	22-495-034-5094-002	7/1/21-6/30/22	12,615,600			12,615,600	12,615,600							12,615,600
Long Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	4,510			4,510	4,510							4,510
Post Retirement Medical Benefit Contribution	22-495-034-5094-001	7/1/21-6/30/22	2,772,102			2,989,099	2,989,099							2,989,099
Total General Fund				(4,229,413)		54,584,826	54,771,497				(4,416,084)		(212,755)	54,771,497
Special Revenue:														
Preschool Education Aid	22-495-034-5120-065	7/1/21-6/30/22	5,765,070		\$ 88,624	5,194,462	6,374,221	604,740			(570,608)	84,213		6,374,221
Preschool Education Aid	21-495-034-5120-065	7/1/20-6/30/21	3,104,124	(216,954)	(88,624)	305,578					-			-
Total Preschool Ed Aid				(216,954)		5,500,040	6,374,221	604,740			(570,608)	84,213		6,374,221
New Jersey Nonpublic Aid:														
Auxiliary Services:														
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	60,019			60,019	48,732					11,287		48,732
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	55,738	31,789					31,789					-
English as a Second Language	21-100-034-5120-067	7/1/20-6/30/21	3,553	3,553					3,553					-
Total Auxiliary Services (Chapter 192) Cluster				35,342		60,019	48,732		35,342			11,287		48,732

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2022			Memo	
										(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education														
Handicapped Services:														
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	18,600			\$ 18,600	\$ 2,325					\$ 16,275	\$ 2,325	
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	18,228	\$ 9,023					\$ 9,023					
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	10,738			10,738	6,030					4,708	6,030	
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	12,952	8,096					8,096					
Total Handicapped Services (Chapter 193) Cluster				17,119		29,338	8,355		17,119			20,983		8,355
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	7,982			7,982	6,999					983	6,999	
Nursing Services	22-100-034-5120-070	7/1/21-6/30/22	14,896			14,896	11,499					3,397	11,499	
Nursing Services	21-100-034-5120-070	7/1/20-6/30/21	13,872	8,946					8,946					
Nonpublic Technology	22-100-034-5120-373	7/1/21-6/30/22	5,586			5,586	4,435					1,151	4,435	
Nonpublic Security	22-100-034-5120-509	7/1/21-6/30/22	23,275			23,275	11,903					11,372	11,903	
Nonpublic Security	21-100-034-5120-509	7/1/20-6/30/21	23,800	10,588					10,588					
Alyssa's Law School Security Grant	20E00620	7/1/20-6/30/22	250,420	(166,060)			15,625	10,500		(250,420)	79,235		(171,185)	166,060
New Jersey Schools Development Authority														
Emergent and Capital Maintenance Needs	N/A	N/A	107,912			107,912	107,912							107,912
NJ Department of Environment Protection														
Equipment Modernization Program - Electric School Buses	069G	N/A	834,604	(820,704)						(834,604)	13,900		(820,704)	820,704
Total Special Revenue Fund				(1,131,723)		5,749,048	6,589,681	615,240	71,995	(1,655,632)	177,348	49,173	(991,889)	7,560,820
Debt Service Fund:														
Debt Service Aid-Type II	22-495-034-5120-075	7/1/21-6/30/22	1,178,412			1,178,412	1,178,412							1,178,412
Total Debt Service Fund						1,178,412	1,178,412							1,178,412
State Department of Agriculture														
Enterprise Fund:														
State School Lunch Program	21-100-010-3350-023	7/1/21-6/30/22	58,846			53,750	58,846			(5,096)			(5,096)	58,846
Total Food Service Fund						53,750	58,846			(5,096)				58,846
Total State Financial Assistance Subject to Single Audit Determination				(5,361,136)		61,566,036	62,598,436	615,240	71,995	(6,076,812)	177,348	49,173	(1,209,740)	63,569,575
State Financial Assistance Not Subject to Major Program Determination														
General Fund														
On-Behalf TPAF Pension System Contributions-NCGI		7/1/21-6/30/22	177,989			(177,989)	(177,989)							(177,989)
On-Behalf TPAF Pension System Contributions- Pension Benefit		7/1/21-6/30/22	12,615,600			(12,615,600)	(12,615,600)							(12,615,600)
On-Behalf TPAF Long Term Disability Insurance		7/1/21-6/30/22	4,510			(4,510)	(4,510)							(4,510)
On-Behalf TPAF Post-Retirement Medical Contribution		7/1/21-6/30/22	2,989,099			(2,989,099)	(2,989,099)							(2,989,099)
Total State Financial Assistance Subject to Major Program Determination				\$ (5,361,136)	\$ -	\$ 45,778,838	\$ 46,811,238	\$ 615,240	\$ 71,995	\$ (6,076,812)	\$ 177,348	\$ 49,173	\$ (1,209,740)	\$ 47,782,377

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Belleville Township School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$197,419 for the general fund and a decrease of \$321,657 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 377,854	\$ 54,574,078	\$ 54,951,932
Special Revenue Fund	6,540,781	4,891,650	11,432,431
Debt Service Fund		1,178,412	1,178,412
Food Service Fund	<u>3,624,921</u>	<u>58,846</u>	<u>3,683,767</u>
Total Financial Assistance	<u>\$ 10,543,556</u>	<u>\$ 60,702,986</u>	<u>\$ 71,246,542</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022****NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,761,668 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$12,793,589, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,989,099 and TPAF Long-Term Disability Insurance in the amount of \$4,510 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified? yes X no

(2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 Part 200 of U.S. Uniform Guidance? yes X no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>CARES/CRRSA-ESSER II Program Cluster</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP-ESSER III Program Cluster</u>
<u>84.027/84.027X</u>	<u>H027A/X210100</u>	<u>IDEA Part B Basic Program Cluster</u>
<u>84.173/84.173X</u>	<u>H173A/X210114</u>	<u>IDEA Part B Preschool Program Cluster</u>
<u>21.027</u>	<u>SLFRFDOE1SES</u>	<u>A.C.S.E.R.S. - Special Education Services</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Part I - Summary of Auditor's Results

State Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified?
yes no
X

(2) Significant deficiencies identified that are not
considered to be material weakness(es)?
yes none reported
X

Type of auditor's report issued on compliance for
major programs
Unmodified

Any audit findings disclosed that are required to be reported
in accordance with N.J. Circular Letter 15-08?
X yes no

Identification of major state programs:

Table with 2 columns: GMIS Number(s) and Name of State Program. Rows include Equalization Aid, Security Aid, Special Education Aid, Transportation Aid, and Reimbursed TPAF Social Security Contributions.

Dollar threshold used to distinguish between
Type A and Type B programs:
\$ 1,404,337

Auditee qualified as low-risk auditee?
X yes no

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 2 – Schedule of Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

There are none.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR FEDERAL AWARDS

There are none.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR STATE AWARDS

Finding 2022-001

Our audit of purchases and contract awards in excess of the bid thresholds revealed certain State contract and cooperative purchasing program contract award information was not on file in the District.

State program information:

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084

Criteria or specific requirement:

State Grant Compliance Supplement – State Aid Public – Special Tests and Provisions
NJSA 18A:18A – Public School Contracts Law

Condition:

Purchases of various goods and services were made which were not in accordance with the procedures specified in the Public School Contracts Law.

Questioned Costs:

Unknown.

Context:

State contract and cooperative purchasing program contract award information was not on file in the District for seven (7) vendors paid a total of \$1,928,546 in fiscal year 2022.

Effect:

Noncompliance with requirements of the Public School Contracts Law.

Cause:

Unknown.

Recommendation:

State contract and cooperative purchasing program contract award information be maintained on file in the District and available for audit.

Views of Responsible Officials and Planned Corrective Action Plan:

Management has reviewed this finding and indicated it will review and revise its procedures to ensure corrective action is taken.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2021-001

Condition

Encumbrances reported in the General and Special Revenue Funds at June 30, 2020 were deemed invalid and should have been cancelled at year end. Account payable recorded at year end in the General and Food Service Funds were for the 2021/2022 school year and were inappropriately charged to the 2020/2021 school year.

Current Status

Corrective action was taken.

Finding 2021-002

Condition

Purchases of various goods and services were made which were not in accordance with the procedures specified in the Public School Contracts Law.

Current Status

Corrective action was taken.

Finding 2021-003

Condition

District employees enrolled in the TPAF pension system whose pensionable base pay was funded by the Federal ESSER II program were not included in the calculation to reimburse the State.

Current Status

Corrective action was taken.

Finding 2021-004

Condition

Certain students included on the Extraordinary Aid application did not receive intensive related services nor did their IEP's indicate they were required to receive such services. A minimum of one intensive related service is required to be included in a student's IEP to be eligible for Extraordinary Aid. In addition, application for students selected for testing were not provided for audit.

Current Status

Corrective action was taken.