

BELLEVILLE PUBLIC SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025



Belleville, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Belleville Public School District
Belleville, New Jersey
For The Fiscal Year Ended June 30, 2025**

**Prepared by
Business Office**

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INTRODUCTORY SECTION



BELLEVILLE PUBLIC SCHOOLS

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Superintendent of Schools

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October 14, 2025

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, 2025 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 2024/2025 fiscal year with an enrollment of 5,009 students, which is (6.04%) less than previous year's enrollment. The district's student enrollment over the last two years is 5,331 students in 2023-2024 and 5,163 students in 2022-2023.

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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:** Our district remains committed to fostering academic excellence, supporting students' individual needs, and preparing them for a 21st-century world. Here's how:
 - **Curriculum Enhancements:** We align all curricula with a five-year cycle to ensure program continuity and proper funding for planned changes. Most notably for the 2024-2025 school year:
 - **Early Childhood (P-3)** - To support our initiative to align PreK through Grade 3 and to build sustainability, we created classroom environments conducive to learning based on the updated NJDOE Kindergarten Implementation guidelines. Preschool and kindergarten teachers use the Teaching Strategies GOLD objectives to inform their instruction.
 - **Elementary (K-6)** - Teachers implemented *Mystery Science* (K–5) and *Active Learning OpenSciEd* (6–8) as the new core science programs, with the curriculum revised to reflect the updated scope and sequence. The *Savvas myView* (K–5) and *myPerspectives* (6) ELA programs entered their second year of implementation, while *Foundations* (K–2) reached its third year of use. Teachers have access to Geodes, decodable readers aligned to Foundations. The *Savvas enVision Mathematics* series entered Year 3 of its updated copyright cycle. The 2023 ELA and Mathematics NJSL standards were incorporated into the respective curricula. In addition to the acquisition of new digital and physical resources, ongoing professional development has supported effective implementation. The *Savvas Social Studies* series was extended for one additional year, as all curriculum revision cycles were postponed by one year due to COVID-related adjustments.
 - **Secondary (7-12)** - Teachers had a new enVision Math Series (7&8, AGA) and McGraw-Hill StudySync ELA Series (7-12) this year, which required the purchasing of district licenses and digital/print resources. Teachers were also navigating a new block schedule and received multiple opportunities for small group instruction training. These changes were supported by extensive professional development for instructional staff and administrators, focusing on Math, ELA, and overall instructional improvement.
 - **Technology Integration and 21st-Century Learning:** We are proud to maintain a 1:1 technology environment, ensuring every PK-12 student has access to devices like Chromebooks, interactive TVs, and XP Pens. Classroom environments were updated to allow for more inquiry-based learning and student engagement.
 - **Data-Driven Decision-Making:** STAR Renaissance continues to be used to monitor student progress, identify areas for intervention, and guide instructional adjustments. Additionally, Star Curriculum-Based Measures (CBMs) were required this year in grades K–6. These are one-minute, one-on-one assessments that help teachers track progress in the most important early literacy skills. The 2024-2025 school year marked the district's first full year of access to eduCLIMBER, a program used to strengthen data-informed instruction and intervention planning. The platform integrates directly with PowerSchool SIS, allowing the sharing of student information and assessment data. eduCLIMBER

also houses the district's SmartForms for students receiving tiered supports, providing a centralized system for progress monitoring and documentation. Together, these tools enhance the district's capacity to use data effectively to improve student outcomes. The rollout of this platform was staggered and training began with administrators, interventionists, and RTI coordinators. Teachers received training later in the year with the expectation of a full district implementation to begin in the 25-26 school year.

- **Supporting Individualized Learning:** We continue to expand RTI (Response to Intervention) support, with interventionists providing targeted ELA and Math instruction for Tier 3 students. All students receiving Tier 3 academic interventions have an RtI Action Plan outlining targeted, evidence-based practices and measurable goals to support their progress. Tier 1 and Tier 2 interventions are also in place. Elementary schools now have a dedicated daily Support period addressing both remedial and advanced learning needs. BMS students were also provided a Support Period in their schedules (Year 2). Multiple tutoring opportunities were provided for students through before-and-after school tutoring as well during the school day tutoring. Some tutoring was supported through the High Impact Tutoring grant in grades 3-6 (year 2).
- **Professional Development and Coaching:** District teacher coaches continue to provide instructional support, engaging in activities such as co-teaching, data analysis, and mentoring new teachers. Coaches also lead efforts to improve district initiatives, such as productive struggle in math and explicit phonics instruction. Additionally:
 - **PLCs - PK-12 teachers** have thirty-minute weekly PLC meetings. One of these meetings is devoted to Faculty meetings. Last year, the remaining three meetings were for Building-Based Data Reviews; Building Support/Trainings; and District PLCs (elementary).
 - **Grade Level/Team/1:1 Meetings** - Built into the school day, grades 7-9 teachers have opportunities to meet in teams. At the elementary level, teachers are pulled for a half day to meet with their grade level partners across the district to discuss topics such as curriculum, assessments, and data. During the 24-25 school year, K-2 teachers had additional 1:1 meetings to focus on individual needs with an emphasis on early literacy.
 - **MSU Pilot Study** - In the spring of 2025, Belleville Public Schools and Montclair State University launched a three-year partnership designed to engage in-service teachers from Belleville and preservice teacher candidates from MSU in sustained, collaborative professional learning experiences. In addition, Belleville's remaining teachers are participating in a year-long teacher-led inquiry initiative to enhance their instructional practices and professional growth. This work began in spring 2025 and will continue through the 2025–2026 school year.
 - **MLL/ELL** - Professional development is provided on how to differentiate instruction for ELL learners, especially Newcomers. This goes beyond the SiOP training that is required of all new staff K-6. The district's Academic Learning Coach continues to assist new ESL staff as well as Gen.Ed. teachers with strategies and techniques that will assist in raising student's WIDA scores and overall academic performance in the classroom within all content areas.
 - **Gifted & Talented** - Provided PD to help teachers identify students who are eligible to participate in G&T with an existing Sp.Ed. & MLL identification.

(Twice Gifted). Gifted & Talented Teachers attend meetings scheduled through the Essex County Steering Committee to network with colleagues in other districts and learn about the upcoming competitions for G&T students.

- **Health and Wellness** - In collaboration with Kean University, teachers, CST members, school psychologists, social workers, school counselors and more have opportunities to attend BeWELL Professional Development training centered around mental health in schools.
 - **Social-Emotional Support:** Recognizing the importance of mental health, elementary staff receive ongoing social-emotional training. ReThinkED SEL lessons are delivered to elementary students once a month with themes focusing on developing health habits and strengthening developmental appropriate skills. Elementary, middle and high school students having access to Wellness Centers from preventative counseling to crisis support. These centers allow school counselors, social workers and social psychologists to focus on academic growth while addressing students' emotional and behavioral needs.
 - **College and Career Readiness:** At the secondary level, programs like Naviance streamline the college application process, complemented by SAT preparation courses and tools to track community service requirements. Credit recovery options, including Educere, Courseware, and summer school, ensure students stay on track for graduation. Partnerships with colleges and universities enable students to earn college credits, while Advanced Placement opportunities have expanded through the Option II platform. At the elementary level, students have access to the Elementary Summer Bridge Academy and college-and-career readiness best practices are incorporated within the school day. Digital citizenship is embedded throughout with an emphasis in library media.
 - **Career and Technical Education (CTE):** Our district continues to strengthen vocational programs like woodshop and expand Work-Based Learning (WBL) opportunities, introducing students to the workforce.
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. At the conclusion of the year, the Department of Education determined the District was able to function independently with proper internal controls in place. 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 noted in 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, 2025.

The district submitted a Corrective Action Plan to the Executive County Superintendent dated February 24, 2025 regarding findings from the 2023-2024 audit. The plan included areas of school purchasing practices; school food service; and facilities and capital assets 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 2024-25 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, 2025:

<u>Revenues</u>	<u>Amount</u>	<u>% of Total</u>
Local	\$49,224,565	35.70%
State Sources	\$88,553,849	64.23%
Federal Sources	<u>\$92,964</u>	<u>.07%</u>
Total	<u>\$137,871,378</u>	<u>100.0%</u>

The following schedule presents a summary of the general fund expenditures based on

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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, 2025:

<u>Expenditures</u>	<u>Amount</u>	<u>% of Total</u>
Current Expenditures:		
Instruction	\$77,365,878	55.78%
Support Services	\$51,813,351	37.37%
Capital Outlay	\$2,854,706	2.06%
Debt Services	<u>\$6,644,264</u>	<u>4.79%</u>
Total Expenditures	<u>\$138,667,199</u>	<u>100%</u>

8. **DEBT ADMINISTRATION:** On June 30, 2025 the District had \$38,750,000 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 totaling \$14,282,735, outstanding other financing agreements totaling \$670,703, leases payable totaling \$5,276,765 and obligations under subscription based information technology arrangements totalling \$1,496,637 at June 30, 2025.
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,

A handwritten signature in blue ink, appearing to be "Erick Alfonso", with a stylized flourish at the end.

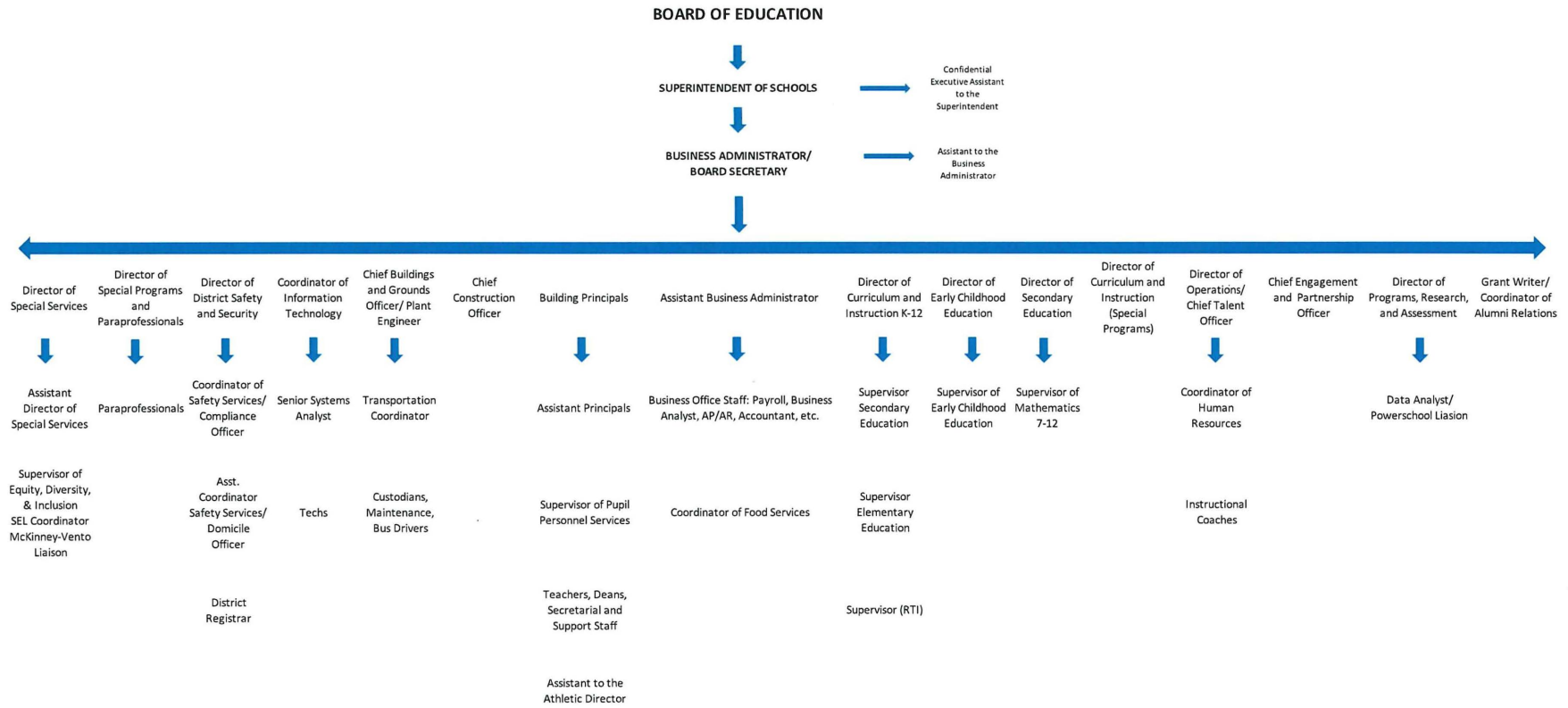
Dr. Erick Alfonso, Ed.D., M.B.A.

Superintendent of Schools

A handwritten signature in blue ink, appearing to be "Edward Izbicki Sr.", with a stylized flourish at the end.

Dr. Edward Izbicki Sr.

Acting Business Administrator / Board Secretary



BELLEVILLE PUBLIC SCHOOL DISTRICT

ROSTER OF OFFICIALS

JUNE 30, 2025

Members of the Public School District

Term Expires December 31

Gabrielle Bennet – Meany, President	2025
Michael Derro, Vice President	2025
Jean Rodriguez Gillis	2028
Esteban Leon	2028
Lissa Missaggia	2026
Luis Muñiz	2025
Brenda Pacheco	2026

Other Officials

Nicholas Perrapato, Interim Superintendent of Schools

Matthew Paladino, Board Secretary/School Business Administrator

John Calavano, Treasurer of School Monies

The Busch Law Firm, Board Counsel

Thomas Egan, State Monitor

BELLEVILLE PUBLIC SCHOOL DISTRICT

CONSULTANTS & ADVISORS

JUNE 30, 2025

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OFFICIAL DEPOSITORY

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Belleville, NJ 07407

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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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
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MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Belleville Public School District as of June 30, 2025, 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 Public 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 Public 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 Public 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 Public 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 Public School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, 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 Public 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 combining and individual nonmajor fund financial statements, 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.

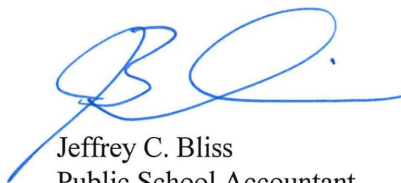
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, 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 October 14, 2025 on our consideration of the Belleville Public 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 Public 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 Public 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
October 14, 2025

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

BELLEVILLE PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

As management of the Belleville Public School District (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Belleville Public School District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found in the introductory section of this report and the District's financial statements and related notes to the financial statement which immediately follows this discussion and analysis.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2024-2025 fiscal year include the following:

- The assets and deferred outflows of resources of the Belleville Public School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$8,097,694. (Net Position)
- The District's total net position increased by \$2,776,470, or 52%.
- Overall District revenues were \$146,381,514. General revenues accounted for \$108,485,575, or 74%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$37,895,939 or 26% of total revenues.
- The school district had \$139,437,032 in expenses for governmental activities; only \$33,886,162 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted state aid) of \$108,473,742 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 \$10,700,089. Of this amount, \$11,556,054 is restricted for capital projects, \$1,417,481 is restricted for required maintenance of District facilities, \$169,062 is restricted for unemployment claims, \$193,845 is restricted for student activities, \$3,583,029 is committed or assigned to year end encumbrances, \$63,060 is assigned to insurance recovery expenditures, \$8,671 is designated for the subsequent year's budget expenditures and the remaining amount is the unassigned fund deficit of \$(6,291,113).
- The General Fund fund balance (GAAP) at June 30, 2025 was \$4,326,978, an increase of \$677,302 compared to the ending fund balance at June 30, 2024 of \$3,649,946.
- The General Fund unassigned budgetary fund balance at June 30, 2025 was \$2,472,768, which represents an increase of \$123,951 when compared to the ending unassigned budgetary fund balance at June 30, 2024 of \$2,348,817.

BELLEVILLE PUBLIC SCHOOL DISTRICT

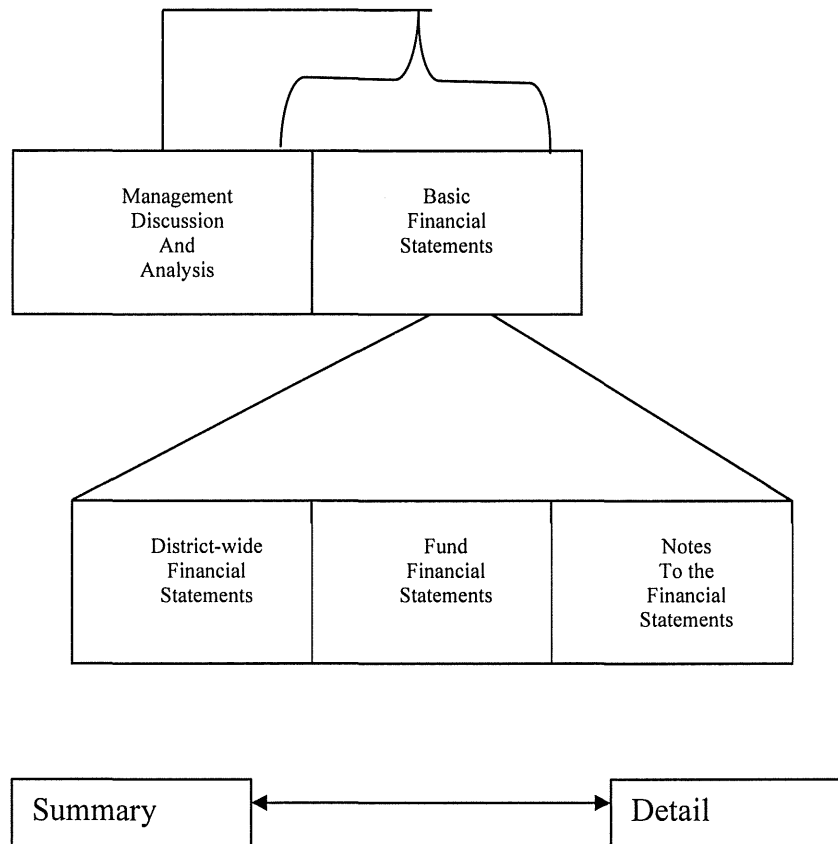
Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's 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 PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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 (except fiduciary funds)	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 PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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) and cooperative purchasing programs are 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 two enterprise funds, for its food service (cafeteria) program and second river purchasing cooperative.
 - *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.

Notes to the Financial Statements

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

BELLEVILLE PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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. The required supplementary information can be found following the notes to the financial statements.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68 and post-retirement medical benefits as required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

Combining and individual financial schedules are presented immediately following the required supplementary information if required.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$8,097,694 and \$5,321,224 on June 30, 2025 and 2024, respectively as follows:

Net Position As of June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	\$ 16,670,668	\$ 16,013,287	\$ 189,330	\$ 147,598	\$ 16,859,998	\$ 16,160,885
Capital Assets	<u>72,213,268</u>	<u>76,721,551</u>	<u>1,867,027</u>	<u>1,996,503</u>	<u>74,080,295</u>	<u>78,718,054</u>
Total Assets	<u>88,883,936</u>	<u>92,734,838</u>	<u>2,056,357</u>	<u>2,144,101</u>	<u>90,940,293</u>	<u>94,878,939</u>
Deferred Outflows of Resources	<u>2,705,380</u>	<u>2,431,047</u>	<u>-</u>	<u>-</u>	<u>2,705,380</u>	<u>2,431,047</u>
Liabilities						
Long-Term Liabilities	77,349,007	83,583,601			77,349,007	83,583,601
Other Liabilities	<u>7,119,441</u>	<u>7,248,199</u>	<u>278,451</u>	<u>269,002</u>	<u>7,397,892</u>	<u>7,517,201</u>
Total Liabilities	<u>84,468,448</u>	<u>90,831,800</u>	<u>278,451</u>	<u>269,002</u>	<u>84,746,899</u>	<u>91,100,802</u>
Deferred Inflows of Resources	<u>794,125</u>	<u>883,503</u>	<u>6,955</u>	<u>4,457</u>	<u>801,080</u>	<u>887,960</u>
Net Position						
Net Investment in Capital Assets	19,493,240	17,872,646	1,867,027	1,996,503	21,360,267	19,869,149
Restricted	6,280,388	6,871,922			6,280,388	6,871,922
Unrestricted	<u>(19,446,885)</u>	<u>(21,293,986)</u>	<u>(96,076)</u>	<u>(125,861)</u>	<u>(19,542,961)</u>	<u>(21,419,847)</u>
Total Net Position	<u>\$ 6,326,743</u>	<u>\$ 3,450,582</u>	<u>\$ 1,770,951</u>	<u>\$ 1,870,642</u>	<u>\$ 8,097,694</u>	<u>\$ 5,321,224</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 state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

BELLEVILLE PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

The District's total net position of \$8,097,694 at June 30, 2025 represents a \$2,776,470, or 52%, increase from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2025 and 2024.

Changes in Net Position For the Fiscal Years Ended June 30, 2025 and 2024						
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	\$ 569,738	\$ 390,814	\$ 734,700	\$ 696,391	\$ 1,304,438	\$ 1,087,205
Operating Grants and Contributions	32,022,081	33,102,361	3,275,077	3,051,436	35,297,158	36,153,797
Capital Grants and Contributions	1,294,343	2,793,971		86,673	1,294,343	2,880,644
General Revenues						-
Property Taxes	50,035,688	47,122,847			50,035,688	47,122,847
Unrestricted State Aid	57,687,416	48,517,920			57,687,416	48,517,920
Miscellaneous Income	750,638	716,313	11,833	18,716	762,471	735,029
Total Revenues	<u>142,359,904</u>	<u>132,644,226</u>	<u>4,021,610</u>	<u>3,853,216</u>	<u>146,381,514</u>	<u>136,497,442</u>
Expenses						
Instruction						
Regular	52,541,555	50,852,785			52,541,555	50,852,785
Special Education	17,912,181	15,220,652			17,912,181	15,220,652
Other Instruction	4,422,584	4,109,493			4,422,584	4,109,493
School Sponsored Activities and Athletics	2,051,846	2,000,551			2,051,846	2,000,551
Support Services						
Student and Instruction Related Services	19,817,320	17,101,356			19,817,320	17,101,356
General Administrative Services	2,092,519	2,182,388			2,092,519	2,182,388
School Administrative Services	9,222,660	8,646,316			9,222,660	8,646,316
Central Administrative Services	4,200,987	3,397,289			4,200,987	3,397,289
Plant Operations and Maintenance	18,178,351	18,142,155			18,178,351	18,142,155
Pupil Transportation	6,427,851	6,101,031			6,427,851	6,101,031
Interest on Long-Term Debt	2,569,178	2,832,641			2,569,178	2,832,641
Food Services			4,142,267	4,047,548	4,142,267	4,047,548
Purchasing Cooperative	-	-	25,745	-	25,745	-
Total Expenses	<u>139,437,032</u>	<u>130,586,657</u>	<u>4,168,012</u>	<u>4,047,548</u>	<u>143,605,044</u>	<u>134,634,205</u>
Increase (Decrease) in Net Position Before Transfers	2,922,872	2,057,569	(146,402)	(194,332)	2,776,470	1,863,237
Transfers	(46,711)	(60,064)	46,711	60,064	-	-
Increase in Net Position	2,876,161	1,997,505	(99,691)	(134,268)	2,776,470	1,863,237
Net Position, Beginning of Year	<u>3,450,582</u>	<u>1,453,077</u>	<u>1,870,642</u>	<u>2,004,910</u>	<u>5,321,224</u>	<u>3,457,987</u>
Net Position, End of Year	<u>\$ 6,326,743</u>	<u>\$ 3,450,582</u>	<u>\$ 1,770,951</u>	<u>\$ 1,870,642</u>	<u>\$ 8,097,694</u>	<u>\$ 5,321,224</u>

BELLEVILLE PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$142,359,904 for the fiscal year ended June 30, 2025, property taxes of \$50,035,688 represented 35% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$91,003,840 and represented 64% of revenues for the fiscal year ended June 30, 2025.

The total cost of all governmental activities programs and services was \$139,437,032 for the fiscal year ended June 30, 2025. The District's expenses are predominantly related to educating and caring for students. Instruction costs were \$76,928,166 (55%) of total expenses, support services costs were \$59,939,688 (43%) of total expenses and interest on long-term debt was \$2,569,178 (2%) of total expenses for the fiscal year ended June 30, 2025.

For fiscal year 2025, total governmental activities revenues exceeded expenses and transfers out increasing net position for governmental activities by \$2,876,161 from the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services was \$139,439,032. After applying program revenues, derived from operating and capital grants and contributions of \$33,316,424 and charges for services of \$569,738 the net cost of services of the District is \$105,550,870 for the fiscal year ended June 30, 2025.

Total and Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Instruction:				
Regular	\$ 52,541,555	\$ 50,852,785	\$ 42,214,644	\$ 40,003,586
Special Education	17,912,181	15,220,652	8,804,721	8,552,787
Other Instruction	4,422,584	4,109,493	3,599,387	3,364,215
School Sponsored Activities and Athletics	2,051,846	2,000,551	1,746,336	1,725,776
Support Services:				
Student & Instruction Related Services	19,817,320	17,101,356	10,813,889	9,444,978
General Administrative Services	2,092,519	2,182,388	2,092,519	2,117,525
School Administrative Services	9,222,660	8,646,316	8,364,871	7,460,137
Central Administrative Services	4,200,987	3,397,289	4,200,987	3,306,880
Plant Operations and Maintenance	18,178,351	18,142,155	16,714,580	10,133,984
Pupil Transportation	6,427,851	6,101,031	4,998,222	6,044,486
Interest on Long Term Debt	2,569,178	2,832,641	2,000,714	2,145,157
Total	<u>\$ 139,437,032</u>	<u>\$ 130,586,657</u>	<u>\$ 105,550,870</u>	<u>\$ 94,299,511</u>

Business-Type Activities – The District's total business-type activities revenues were \$4,021,610 for the fiscal year ended June 30, 2025. Operating and capital grants and contributions accounted for 81% of total revenues and 18% of revenues were from charges for services and sales with the remaining 1% of revenues from interest earnings.

Total cost of all business-type activities programs and services was \$4,168,012 for the fiscal year ended June 30, 2025, of which \$4,142,267 was for Food Service operations and \$25,745 was for the Purchasing Cooperative expenses.

For fiscal year 2024, total business-type activities expense exceeded revenues and transfers in decreasing net position by \$99,691, or 5% from the previous year.

BELLEVILLE PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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 \$10,700,089 at June 30, 2025, an increase of \$454,814 from last year's fund balance of \$10,245,275. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

Revenues for the District's governmental funds were \$155,106,724 while total expenditures were \$156,826,100 for the fiscal year ended June 30, 2025. The District had \$2,988,522 of Other Financing Sources and \$814,332 of Other Financing Uses for the fiscal year ended June 30, 2025.

GENERAL FUND

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

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024	Amount of Increase (Decrease)	Percent Change
Local Sources:				
Property Taxes	\$ 48,242,133	\$ 45,328,975	\$ 2,913,158	6%
Tuition	124,658	87,889	36,769	42%
Miscellaneous	857,774	652,173	205,601	32%
State Sources	88,553,849	74,864,726	13,689,123	18%
Federal Sources	92,964	135,567	(42,603)	-31%
Total General Fund Revenues	<u>\$ 137,871,378</u>	<u>\$ 121,069,330</u>	<u>\$ 16,802,048</u>	14%

For fiscal year 2025, total General Fund revenues increased \$16,802,048, or 14% from the previous year.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 77,354,878	\$ 71,627,731	\$ 5,727,147	8%
Support Services	51,813,351	44,541,797	7,271,554	16%
Debt Service	6,644,264	5,595,444	1,048,820	19%
Capital Outlay	2,854,706	4,959,474	(2,104,768)	-42%
Total Expenditures	<u>\$ 138,667,199</u>	<u>\$ 126,724,446</u>	<u>\$ 11,942,753</u>	9%

For fiscal year 2025, total General Fund expenditures increased \$11,842,753, or 9% from the previous year.

In fiscal year 2025, General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$677,302. Therefore, the total fund balance at June 30, 2024 of \$3,649,673 increased to a fund balance of \$4,326,978 at June 30, 2025.

BELLEVILLE PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2025, the District had \$72,213,268 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$1,867,027 for business type activity. Depreciation charges for fiscal year 2025 amounted to \$8,657,332 for governmental activities and \$150,673 for business-type activities. The following is a comparison of the June 30, 2025 and 2024 balances:

Capital Assets (Net of Accumulated Depreciation) at June 30, 2025 and 2024						
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 2,462,216	\$ 2,462,216			\$ 2,462,216	\$ 2,462,216
Construction in Progress	2,677,892	2,615,001			2,677,892	2,615,001
Land Improvements	2,409,718	1,950,662	\$ 363,518	\$ 419,113	2,773,236	2,369,775
Buildings and Improvements	57,904,219	62,832,583	1,327,519	1,393,824	59,231,738	64,226,407
Machinery and Equipment	5,333,857	4,632,532	175,990	183,566	5,509,847	4,816,098
IT Software	1,425,366	2,228,557	-	-	1,425,366	2,228,557
Total Capital Assets, Net	\$ 72,213,268	\$ 76,721,551	\$ 1,867,027	\$ 1,996,503	\$ 74,080,295	\$ 78,718,054

Additional information on the District's capital assets is presented in Note 3 of this report.

LONG TERM LIABILITIES

At June 30, 2025 the District had \$77,349,007 of total outstanding long-term liabilities. For fiscal year 2024/2025 total outstanding long-term liabilities decreased by \$6,234,594. The following is a comparison of the June 30, 2025 and 2024 balances:

Outstanding Long-Term Liabilities as of June 30, 2025 and 2024			
	Governmental Activities		
	2025	2024	
Bonds Payable	\$ 38,750,000	\$ 40,290,000	
Capital Financing Agreements	14,282,735	17,483,588	
Other Financing Agreements	670,703	877,298	
Leases Payable	5,276,765	5,907,928	
Compensated Absences	4,198,806	3,864,922	
State Aid Advance Loan Payable	-	416,239	
IT Subscription Arrangements	1,496,637	2,283,059	
Net Pension Liability	12,673,361	12,460,567	
Total	\$ 77,349,007	\$ 83,583,601	

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

BELLEVILLE PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

GENERAL FUND BUDGETARY HIGHLIGHTS

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

For fiscal year 2025 General Fund budgetary revenues and other financing sources exceeded budgetary expenditures and other financing uses increasing budgetary fund balance by \$2,250,932. However, after deducting fund balances restricted, committed and assigned, the unassigned budgetary fund balance increased \$123,951 from an unassigned fund balance of \$2,348,817 at June 30, 2024 to \$2,472,768 at June 30, 2025. In addition, at June 30, 2025 the District had balances in its capital reserve of \$4,500,000, maintenance reserve of \$1,417,481 and unemployment compensation reserve of \$169,062.

FACTORS BEARING ON THE DISTRICT'S FUTURE

While many factors influence the district's future, the availability of funding for increased enrollment, staffing needs special education costs 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 2025-2026 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 2025-2026. Budgeted expenditures in the General Fund increased approximately 6% to \$124,161,873 for fiscal year 2025-2026. Increases in State formula aid and appropriation of capital reserve 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 Public School District, 56 Ralph Street, Belleville, NJ.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

**BELLEVILLE PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 5,254,114	\$ 57,159	\$ 5,311,273
Investments	738,722		738,722
Receivables, Net	10,054,271	676,687	10,730,958
Internal Balances	623,561	(623,561)	-
Inventory		79,045	79,045
Capital Assets, Not Being Depreciated	5,140,108		5,140,108
Capital Assets, Being Depreciated, Net	<u>67,073,160</u>	<u>1,867,027</u>	<u>68,940,187</u>
Total Assets	<u>88,883,936</u>	<u>2,056,357</u>	<u>90,940,293</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	30,055		30,055
Deferred Amounts on Net Pension Liability	<u>2,675,325</u>	<u>-</u>	<u>2,675,325</u>
Total Deferred Outflows of Resources	<u>2,705,380</u>	<u>-</u>	<u>2,705,380</u>
Total Assets and Deferred Outflows of Resources	<u>91,589,316</u>	<u>2,056,357</u>	<u>93,645,673</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	5,127,062	258,104	5,385,166
Payable to Other Governments	156,732		156,732
Accrued Interest Payable	1,160,287		1,160,287
Unearned Revenue	675,360	20,347	695,707
Noncurrent Liabilities			
Due Within One Year	7,801,045		7,801,045
Due Beyond One Year	<u>69,547,962</u>	<u>-</u>	<u>69,547,962</u>
Total Liabilities	<u>84,468,448</u>	<u>278,451</u>	<u>84,746,899</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	794,125		794,125
Deferred Commodities Revenue	<u>-</u>	<u>6,955</u>	<u>6,955</u>
Total Deferred Inflows of Resources	<u>794,125</u>	<u>6,955</u>	<u>801,080</u>
Total Liabilities and Deferred Inflows of Resources	<u>85,262,573</u>	<u>285,406</u>	<u>85,547,979</u>
NET POSITION			
Net Investment in Capital Assets	19,493,240	1,867,027	21,360,267
Restricted for:			
Capital Projects	4,500,000		4,500,000
Plant Maintenance	1,417,481		1,417,481
Unemployment Compensation	169,062		169,062
Student Activities	193,845		193,845
Unrestricted	<u>(19,446,885)</u>	<u>(96,076)</u>	<u>(19,542,961)</u>
Total Net Position	<u>\$ 6,326,743</u>	<u>\$ 1,770,951</u>	<u>\$ 8,097,694</u>

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:							
Instruction:							
Regular	\$ 52,541,555		\$ 10,326,911		\$ (42,214,644)		\$ (42,214,644)
Special Education	17,912,181	124,658	8,982,802		(8,804,721)		(8,804,721)
Other Instruction	4,422,584		823,197		(3,599,387)		(3,599,387)
School Sponsored Activities and Athletics	2,051,846	282,115		23,395	(1,746,336)		(1,746,336)
Support Services:							
Student & Instruction Related Services	19,817,320		8,925,354	78,077	(10,813,889)		(10,813,889)
General Administrative Services	2,092,519				(2,092,519)		(2,092,519)
School Administrative Services	9,222,660		857,789		(8,364,871)		(8,364,871)
Central Administrative Services	4,200,987				(4,200,987)		(4,200,987)
Plant Operations and Maintenance	18,178,351	121,965	1,089,788	252,018	(16,714,580)		(16,714,580)
Pupil Transportation	6,427,851	41,000	447,776	940,853	(4,998,222)		(4,998,222)
Interest on Long Term Debt	2,569,178	-	568,464	-	(2,000,714)	-	(2,000,714)
Total Governmental Activities	<u>139,437,032</u>	<u>569,738</u>	<u>32,022,081</u>	<u>1,294,343</u>	<u>(105,550,870)</u>	<u>-</u>	<u>(105,550,870)</u>
Business-Type Activities:							
Food Service	4,142,267	734,194	3,275,077	-	-	\$ (132,996)	(132,996)
Second River Purchasing Cooperative	25,745	506	-	-	-	(25,239)	(25,239)
Total Business-Type Activities	<u>4,168,012</u>	<u>734,700</u>	<u>3,275,077</u>	<u>-</u>	<u>-</u>	<u>(158,235)</u>	<u>(158,235)</u>
Total Primary Government	<u>\$ 143,605,044</u>	<u>\$ 1,304,438</u>	<u>\$ 35,297,158</u>	<u>\$ 1,294,343</u>	<u>(105,550,870)</u>	<u>(158,235)</u>	<u>(105,709,105)</u>

Continued

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:			
Property Taxes:			
Levied for General Purposes	\$ 48,242,133		\$ 48,242,133
Levied for Debt Service	1,793,555		1,793,555
Unrestricted State Aid	57,076,485		57,076,485
State Aid for Debt Service Principal	610,931		610,931
Miscellaneous Income	750,638	\$ 11,833	762,471
Transfers	<u>(46,711)</u>	<u>46,711</u>	<u>-</u>
 Total General Revenues and Transfers	 <u>108,427,031</u>	 <u>58,544</u>	 <u>108,485,575</u>
 Change in Net Position	 2,876,161	 (99,691)	 2,776,470
Net Position, Beginning of Year	<u>3,450,582</u>	<u>1,870,642</u>	<u>5,321,224</u>
Net Position, End of Year	<u>\$ 6,326,743</u>	<u>\$ 1,770,951</u>	<u>\$ 8,097,694</u>

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

FUND FINANCIAL STATEMENTS

**BELLEVILLE PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2025**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 4,988,770	\$ 193,845		\$ 317	\$ 5,182,932
Investments			\$ 738,722		738,722
Receivables From Other Governments	335,412	1,979,818	7,301,720		9,616,950
Other Receivables	380,912	56,409			437,321
Due from Other Funds	<u>3,198,583</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,198,583</u>
Total Assets	<u>\$ 8,903,677</u>	<u>\$ 2,230,072</u>	<u>\$ 8,040,442</u>	<u>\$ 317</u>	<u>\$ 19,174,508</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 1,984,315	\$ 442,126	\$ 182,990		\$ 2,609,431
Compensated Absences Payable	32,468				32,468
Payroll Deductions and Withholdings Payable	680,314				680,314
Employee Deposits Payable	1,707,272				1,707,272
Payable to State Government	35,714	22,222			57,936
Payable to Federal Government	98,796				98,796
Other Liabilities	37,820				37,820
Due to Other Funds		1,773,624	801,398		2,575,022
Unearned Revenue	<u>-</u>	<u>675,043</u>	<u>-</u>	<u>317</u>	<u>675,360</u>
Total Liabilities	<u>4,576,699</u>	<u>2,913,015</u>	<u>984,388</u>	<u>317</u>	<u>8,474,736</u>
Fund Balances (Deficits)					
Restricted					
Capital Reserve - Designated for Subsequent Year's Expenditures	4,500,000				4,500,000
Maintenance Reserve	1,417,481				1,417,481
Unemployment Compensation Reserve	169,062				169,062
Student Activities		193,845			193,845
Capital Projects			7,056,054		7,056,054
Committed					
Year End Encumbrances	2,618,880				2,618,880
Assigned					
Year End Encumbrances	964,149				964,149
Insurance Recovery Expenditures	63,060				63,060
Designated for Subsequent Year's Expenditures	8,671				8,671
Unassigned	<u>(5,414,325)</u>	<u>(876,788)</u>	<u>-</u>	<u>-</u>	<u>(6,291,113)</u>
Total Fund Balances (Deficits)	<u>4,326,978</u>	<u>(682,943)</u>	<u>7,056,054</u>	<u>-</u>	<u>10,700,089</u>
Total Liabilities and Fund Balances	<u>\$ 8,903,677</u>	<u>\$ 2,230,072</u>	<u>\$ 8,040,442</u>	<u>\$ 317</u>	<u>\$ 19,174,825</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2025**

Total Fund Balances - Governmental Funds (Exhibit B-1) **\$ 10,700,089**

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$124,027,532 and the accumulated depreciation is \$51,814,264.

72,213,268

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt

30,055

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.

Deferred Outflows of Resources	\$	2,675,325
Deferred Inflows of Resources		<u>(794,125)</u>

1,881,200

The District has financed capital assets through the issuance of serial bonds, long-term financing agreements and leases payable. The interest accrual at year end is:

(1,160,287)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds

General Obligation Bonds		(38,750,000)
Capital Financing Agreements		(14,282,735)
Other Financing Agreements		(670,703)
Leases Payable		(5,276,765)
IT Subscription Arrangements		(1,496,637)
Compensated Absences		(4,198,806)
Net Pension Liability		<u>(12,673,361)</u>

(77,349,007)

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

11,425

Net Position of Governmental Activities (Exhibit A-1) **\$ 6,326,743**

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

	<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 Taxes	\$ 48,242,133			\$ 1,793,555	\$ 50,035,688
Tuition	124,658				124,658
Miscellaneous	<u>857,774</u>	<u>\$ 406,378</u>	<u>\$ 33,277</u>	<u>-</u>	<u>1,297,429</u>
Total - Local Sources	49,224,565	406,378	33,277	1,793,555	51,457,775
State Sources	88,553,849	10,002,742		1,179,395	99,735,986
Federal Sources	<u>92,964</u>	<u>3,819,999</u>	<u>-</u>	<u>-</u>	<u>3,912,963</u>
Total Revenues	<u>137,871,378</u>	<u>14,229,119</u>	<u>33,277</u>	<u>2,972,950</u>	<u>155,106,724</u>
EXPENDITURES					
Instruction					
Regular	52,339,193	5,041,047			57,380,240
Special Education	18,125,825	1,417,086			19,542,911
Other Instruction	4,859,262	92,118			4,951,380
School Sponsored Activities and Athletics	2,030,598	262,524			2,293,122
Support Services					
Student and Instruction Related Services	16,569,078	4,899,777			21,468,855
General Administrative Services	2,121,827				2,121,827
School Administrative Services	10,395,851				10,395,851
Central Administrative Services	4,364,504				4,364,504
Plant Operations and Maintenance	11,972,284				11,972,284
Pupil Transportation	6,389,807				6,389,807
Debt Service					
Principal	5,209,344	2,179,056		1,540,000	8,928,400
Interest	1,434,920			1,432,950	2,867,870
Capital Outlay	<u>2,854,706</u>	<u>1,294,343</u>	<u>-</u>	<u>-</u>	<u>4,149,049</u>
Total Expenditures	<u>138,667,199</u>	<u>15,185,951</u>	<u>-</u>	<u>2,972,950</u>	<u>156,826,100</u>
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	<u>(795,821)</u>	<u>(956,832)</u>	<u>33,277</u>	<u>-</u>	<u>(1,719,376)</u>
OTHER FINANCING SOURCES(USES)					
Leases Issued	2,147,128				2,147,128
Insurance Recoveries	73,773				73,773
Transfers In	33,277	734,344	-		767,621
Transfers Out	<u>(781,055)</u>	<u>-</u>	<u>(33,277)</u>	<u>-</u>	<u>(814,332)</u>
Total Other Financing Sources(Uses)	<u>1,473,123</u>	<u>734,344</u>	<u>(33,277)</u>	<u>-</u>	<u>2,174,190</u>
Net Change in Fund Balances	677,302	(222,488)	-	-	454,814
Fund Balance (Deficit), Beginning of Year	<u>3,649,676</u>	<u>(460,455)</u>	<u>7,056,054</u>	<u>-</u>	<u>10,245,275</u>
Fund Balance (Deficit), End of Year	<u>\$ 4,326,978</u>	<u>\$ (682,943)</u>	<u>\$ 7,056,054</u>	<u>\$ -</u>	<u>\$ 10,700,089</u>

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

**BELLEVILLE PUBLIC 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, 2025**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ 454,814**

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 depreciation expense exceeded capital outlay in the period.

Capital Outlays	\$ 4,149,049	
Depreciation Expense	<u>(8,657,332)</u>	
		(4,508,283)

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

Leases Issued	<u>(2,147,128)</u>	
		(2,147,128)

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	1,540,000	
Capital Financing Agreements Principal	3,200,853	
Other Financing Agreements Principal	206,595	
Lease Principal	2,778,291	
State Aid Advance Loan Principal	416,239	
IT Subscription Arrangements Principal	<u>786,422</u>	
		8,928,400

In the statement of activities, certain transactions related to the issuance of long term debt are deferred and amortized over the term of the debt. These amount represents the current year amortization of the costs related to the issuance of long term debt.

Deferred Amount on Refunding of Debt	<u>(29,561)</u>	
		(29,561)

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 an increase to the reconciliation. (+)

328,253

In the statement of activities, certain operating expenses, e.g., compensated absences 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	(333,884)	
Net Decrease in Pension Expense	<u>180,478</u>	
		(153,406)

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.

3,072

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 2,876,161**

BELLEVILLE PUBLIC SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

	<u>Business-Type Activities - Enterprise Fund</u>			<u>Internal Service Fund Worker's Compensation Self-Insurance Fund</u>
	<u>Food Service</u>	<u>(Non-Major) Second River Purchasing Cooperative</u>	<u>Total</u>	
ASSETS				
Cash and Cash Equivalents	\$ 57,159		\$ 57,159	\$ 71,182
Intergovernmental Receivable	211,100		211,100	
Other Accounts Receivable	465,587		465,587	-
Inventories	79,045	-	79,045	-
Total Current Assets	812,891	-	812,891	71,182
Capital Assets				
Building Improvement	1,397,212		1,397,212	
Land Improvements	554,164		554,164	
Equipment	987,368		987,368	
Accumulated Depreciation	(1,071,717)	-	(1,071,717)	-
Total Capital Assets, Net	1,867,027	-	1,867,027	-
Total Assets	2,679,918	-	2,679,918	71,182
LIABILITIES				
Current Liabilities				
Accounts Payable	258,104		258,104	
Due To Other Funds	598,322	\$ 25,239	623,561	
Claims and Judgements Payable			-	59,757
Unearned Revenue	20,347	-	20,347	-
Total Current Liabilities	876,773	-	902,012	59,757
DEFERRED INFLOWS OF RESOURCES				
Deferred Commodities Revenue	6,955	-	6,955	-
Total Liabilities and Deferred Inflows of Resources	883,728	-	6,955	59,757
NET POSITION				
Investment in Capital Assets	1,867,027		1,867,027	
Unrestricted	(70,837)	(25,239)	(96,076)	11,425
Total Net Position	\$ 1,796,190	\$ (25,239)	\$ 1,770,951	\$ 11,425

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Business-Type Activities - Enterprise Fund</u>			<u>Internal Service Fund Worker's Compensation Self-Insurance Fund</u>
	<u>Food Service</u>	<u>(Non-Major) Second River Purchasing Cooperative</u>	<u>Total</u>	
OPERATING REVENUES				
Local Sources				
Daily Sales - Reimbursable Programs	\$ 388,388		\$ 388,388	
Daily Sales - Non-Reimbursable Programs	345,806		345,806	
Miscellaneous Revenue	-	\$ 506	506	\$ 19,480
Total Operating Revenues	734,194	506	734,700	19,480
OPERATING EXPENSES				
Salaries and Employee Benefits	1,609,238	18,000	1,627,238	
Cost of Sales - Reimbursable Programs	1,646,266		1,646,266	
Cost of Sales - Non-Reimbursable Programs	189,241		189,241	
Repairs & Maintenance	30,543		30,543	
Supplies and Materials	12,629	-	12,629	
Purchased Property Services	60,940		60,940	
Other Purchased Services	44,710	7,745	52,455	
Insurance	191,753		191,753	
Management Fee	100,872		100,872	
Miscellaneous Expense	58,691	-	58,691	
Worker's Compensation Claims			-	19,480
Depreciation	150,673	-	150,673	-
Total Operating Expenses	4,095,556	25,745	4,121,301	19,480
Operating (Loss)	(3,361,362)	(25,239)	(3,386,601)	-
Nonoperating Revenues (Expenses)				
State Sources				
School Breakfast Program	48,640		48,640	
After the Bell Program	35,611		35,611	
State School Lunch Program	118,420		118,420	
State Food Service Program	2,318		2,318	
State EBT Administrative Costs	1,556		1,556	
Federal Sources				
Food Distribution Program (USDA Commodities)	305,906		305,906	
Summer Food Service Program	95,420		95,420	
School Breakfast Program	856,192		856,192	
National School Lunch Program	1,774,308		1,774,308	
Pandemic EBT Administrative Costs	1,556		1,556	
Local Food For Schools Grant	35,150		35,150	
Interest Earnings	11,833	-	11,833	3,072
Bad Debt Expense	(46,711)	-	(46,711)	-
Total Nonoperating Revenues (Expenses)	3,240,199	-	3,240,199	3,072
Income (Loss) Before Transfers	(121,163)	(25,239)	(146,402)	3,072
Transfers In	46,711	-	46,711	-
Changes in Net Position	(74,452)	(25,239)	(99,691)	3,072
Total Net Position, Beginning of Year	1,870,642	-	1,870,642	8,353
Total Net Position, End of Year	\$ 1,796,190	\$ (25,239)	\$ 1,770,951	\$ 11,425

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

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

	<u>Business-Type Activities - Enterprise Fund</u>			<u>Internal Service Fund Worker's Compensation Self-Insurance Fund</u>
	<u>Food Service</u>	<u>(Non-Major) Second River Purchasing Cooperative</u>	<u>Total</u>	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 574,480	\$ 506	\$ 574,986	
Cash Received From Other Sources				32,362
Cash Payments for Employees Salaries and Benefits	(1,609,238)	(18,000)	(1,627,238)	
Cash Payments to Suppliers for Goods and Services	(2,033,990)	(7,745)	(2,041,735)	(19,480)
Net Cash Provided by (Used for) Operating Activities	(3,068,748)	(25,239)	(3,093,987)	12,882
Cash Flows from Noncapital Financing Activities				
Cash Received from (paid to) Other Funds	182,474	25,239	207,713	
Cash Received from State and Federal Subsidy Reimbursements	2,952,797	-	2,952,797	-
Net Cash Provided by (Used for) Noncapital Financing Activities	3,135,271	25,239	3,160,510	-
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(21,197)	-	(21,197)	-
Net Cash (Used for) Capital and Related Financing Activities	(21,197)	-	(21,197)	-
Cash Flows from Investing Activities				
Interest Earnings Received	11,833	-	11,833	3,072
Net Cash Provided by Investing Activities	11,833	-	11,833	3,072
Net Increase in Cash and Cash Equivalents	57,159	-	57,159	15,954
Cash and Cash Equivalents, Beginning of Year	-	-	-	55,228
Cash and Cash Equivalents, End of Year	\$ 57,159	\$ -	\$ 57,159	71,182
Reconciliation of Operating (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating (Loss)	\$ (3,361,362)	\$ (25,239)	\$ (3,386,601)	-
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation	150,673		150,673	
Provision for Bad Debt Expense	(46,711)		(46,711)	
Non-Cash Federal Assistance-Food Distribution Program	305,906		305,906	
Change in Assets, Liabilities and Deferred Inflows of Resources				
(Increase)/Decrease in Other Accounts Receivable	(120,863)		(120,863)	
(Increase)/Decrease in Inventory	(8,338)		(8,338)	
Increase/(Decrease) in Accounts Payable	1,589		1,589	
Increase/(Decrease) in Claims and Judgements Payable			-	12,882
Increase/(Decrease) in Unearned Revenue	7,860		7,860	
Increase/(Decrease) in Deferred Commodities Revenue	2,498	-	2,498	-
Total Adjustments	292,614	-	292,614	12,882
Net Cash Provided by (Used For) Operating Activities	\$ (3,068,748)	\$ (25,239)	\$ (3,093,987)	\$ 12,882
Non-Cash Invest, Capital and Financing Activities:				
Value Received - Food Distribution Program	\$ 308,404			

NOTES TO THE FINANCIAL STATEMENTS

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Belleville Public School District (the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board of Education ("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 District and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the District and oversees the business functions of the District. Under existing statutes, the District'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 District currently operates a Pre-Kindergarten through grade twelve (12) school district.

The District 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 District.

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 Public School District this includes general operations, food service, purchasing cooperative 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 2025, the District adopted the following GASB statements:

- GASB Statement No. 101, *Compensated Absences*, was 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.
- GASB Statement No. 102, *Certain Risk Disclosures*, was effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective beginning with the fiscal year ending June 30, 2026. The objective of this Statement is to provide user of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement will improve financial reporting by provided users of the financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

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 Public School District. 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 District's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 food service 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 and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements, grants 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.

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

The *second river purchasing cooperative fund* accounts for the activities of the state-approved cooperative purchasing program offered to other public entities including school districts and municipalities. Revenues are earned through vendor administrative fees based on total vendor sales from contracts awarded by the District.

Additionally, the District reports the following fund type:

The *internal service fund* accounts for the District's self-insured worker's compensation program run off claims, which provided coverages to other departments or agencies of the District, on a cost reimbursement basis. Effective July 1, 2014 the District has been covered through a joint insurance fund group for worker's compensation.

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

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 District 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, leases payable for intangible right-to-use leased assets and subscription arrangements for intangible right-to-use information technology (IT) software assets are reported as other financing sources.

Property taxes, tuition, unrestricted state aid, rental revenue 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 District's policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates

The preparation of financial statements requires management of the District to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenses/expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

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

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. 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 District 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 and intangible right-to-use IT subscription assets, the measurement of which is discussed in Note 1. E.8 and E.9, respectively. 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
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
Right-to-use IT Software	3-5

5. 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 District has two items which arises only under the accrual basis of accounting that qualifies for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category 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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Deferred Outflows/Inflows of Resources (Continued)

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 District 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.

6. 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 District'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.

7. 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.

8. Leases

Leases Payable

Non-cancellable leases for the use of another entity's land, 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 governmental 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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Subscription Bases Information Technology Arrangements (SBITAs)

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

In the governmental fund financial statements SBITAs are recognized as other financing sources at the initial amount of the subscription liability. Intangible right-to-use IT subscription 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 governmental 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. Differences resulting from debt refundings are classified as deferred outflows of resources. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded debt or new debt whichever is less using the effective interest method. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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*

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.

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 - Designated for Subsequent Year's Expenditures – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures and was designated for appropriation in the 2025/2026 original budget certified for taxes. (See Note 2C).

Maintenance Reserve – This restriction was created by the District 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 PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the 2025/2026 original budget certified for taxes.

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 Public School District 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 District 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 Public School District for specific purposes but do not meet the criteria to be classified as committed. The District has authorized the School Business Administrator/Board Secretary to assign fund balance. The District 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 PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 Public School District 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 2023-2024 and 2024-2025 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. *On-Behalf Payments*

Revenues and expenditures of the general and special revenue funds include payments made by the State of New Jersey on-behalf of the District for social security, pension, long-term disability insurance and post-retirement medical benefit contributions for District employees enrolled in the Teacher Pension and Annuity Fund (TPAF) retirement system, including on-behalf payments for post-retirement medical contributions for District employees enrolled in the Public Employees Retirement System (PERS).

Revenues and expenses of governmental activities, business-type activities and proprietary funds include the State's proportionate share of the on-behalf actuarial determined pension and post-retirement medical benefit amounts attributable to the District for District employees enrolled in the TPAF retirement system, including the on-behalf actuarial determined post-retirement medical benefit amounts attributable to the District for District employees enrolled in the PERS retirement system.

5. *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 and second river purchasing cooperative enterprise funds 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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters. The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund.

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. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The District 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. Effective for the 2025/2026 school year budget, voter approval is not required for budgets that meet levy cap requirements regardless of when the school board member elections are held.

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 District approved several budget transfers during 2024/2025. Also, during 2024/25 the District increased the original budget of the general fund by \$2,654,847 and the special revenue fund by \$3,996,295. The increases were funded by the additional appropriation of unassigned fund balance, capital reserve, maintenance reserve, grant awards, student activity revenues, and the reappropriation of prior year general fund encumbrances. During the fiscal year the District authorized and approved additional fund balance appropriations of unassigned fund balance of \$824,412, capital reserve of \$1,296,499, maintenance reserve of \$117,284 from the general fund.

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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$5,414,325 in the General Fund and \$876,788 in the Special Revenue Fund as of June 30, 2025 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 2024/2025 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 \$5,414,325 in the General Fund and \$876,788 in the Special Revenue Fund are less than the delayed state aid payments at June 30, 2025.

The District has an accumulated deficit in fund balance of \$25,239 in the Second River Purchasing Cooperative Enterprise Fund as of June 30, 2025. The District expects to eliminate this deficit through a transfer from the General Fund in the 2025/2026 fiscal year.

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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

The activity of the capital reserve for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024		\$ 4,998,698
Increased by		
Interest Earnings	\$ 5,000	
Deposits Approved by Resolution	753,428	
Return of Unencumbered Withdrawals	<u>39,373</u>	
Total Increases		<u>797,801</u>
		5,796,499
Decreased by:		
Withdrawals Approved by Board Resolution		<u>1,296,499</u>
Balance, June 30, 2025		<u>\$ 4,500,000</u>

The June 30, 2025 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$13,152,083. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan. All of the \$4,500,000 capital reserve balance at June 30, 2025 was designated and appropriated for use in the 225/2026 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 PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

The activity of the maintenance reserve for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024	\$ 1,533,265
Increased by	
Interest Earnings	<u>1,500</u>
	\$ 1,534,765
Decreased by:	
Withdrawals Approved by Board Resolution	<u>117,284</u>
Balance, June 30, 2025	<u>\$ 1,417,481</u>

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,823,220. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The District'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 District 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 deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

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, 2025, the book value of the District's deposits was \$5,311,273 and bank and brokerage firm balances of the District's deposits amounted to \$8,772,083. The District's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 5,880,840
Uninsured and Collateralized	<u>2,891,243</u>
	<u>\$ 8,772,083</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 District does not have a policy for custodial credit risk. As of June 30, 2025 the District’s bank balance of \$2,891,243 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>2,891,243</u>
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Investments

The District 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, 2025, the District had the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
N.J. Asset and Rebate Management Program (NJ ARM) (cash equivalent)	\$ <u>738,722</u>

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are held by an outside party. The District does not have a policy for custodial credit risk. As of June 30, 2025, \$738,722 of the District’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>738,722</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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 District 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, 2025, the District's investment in NJ ARM was rated AAAM by Standard and Poor's Global Rating.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the District's investment in a single issuer. The District places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the District's investments are in NJ Asset Rebate Management Program (NJARM). These investments are 100% of the District's total investments.

Fair Value of Investments. The Belleville Public 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. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2025 are categorized as Level 2.

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

B. Receivables

Receivables as of June 30, 2025 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>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Accounts	\$ 380,912	\$ 56,409		\$ 465,587	\$ 902,908
Intergovernmental-					-
Federal		940,217		195,937	1,136,154
State	307,255	1,039,601		15,163	1,362,019
Local	<u>28,157</u>	<u>-</u>	<u>\$ 7,301,720</u>	<u>-</u>	<u>7,329,877</u>
Gross Receivables	716,324	2,036,227	7,301,720	676,687	10,730,958
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 716,324</u>	<u>\$ 2,036,227</u>	<u>\$ 7,301,720</u>	<u>\$ 676,687</u>	<u>\$ 10,730,958</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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	\$ 26,498
Grant Draw Downs for Year-End Encumbrances	648,545
	<u>675,043</u>
Debt Service Fund	
Advance of Property Taxes	<u>317</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 675,360</u>

D. Capital Assets

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

	Balance, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,462,216			\$ 2,462,216
Construction in Progress	2,615,001	\$ 62,891	-	2,677,892
Total Capital Assets, Not Being Depreciated/Amortized	<u>5,077,217</u>	<u>62,891</u>	<u>-</u>	<u>5,140,108</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings and Building Improvements	87,983,045	291,975	-	88,275,020
Right-to-use Leased Buildings	12,227,623	1,344,265	\$ (1,391,309)	12,180,579
Land Improvements	2,461,916	683,457		3,145,373
Machinery and Equipment	10,038,496	963,598	(26,526)	10,975,568
Right-to-use Leased Equipment	858,552	802,863		1,661,415
Right-to-use IT Software	3,275,032	-	(625,563)	2,649,469
Total Capital Assets Being Depreciated/Amortized	<u>116,844,664</u>	<u>4,086,158</u>	<u>(2,043,398)</u>	<u>118,887,424</u>
Less Accumulated Depreciation/Amortization for:				
Buildings and Building Improvements	(30,225,777)	(4,119,890)		(34,345,667)
Right-to-use Leased Buildings	(7,152,308)	(2,444,714)	1,391,309	(8,205,713)
Land Improvements	(511,254)	(224,401)		(735,655)
Machinery and Equipment	(5,734,587)	(889,864)	26,526	(6,597,925)
Right-to-use Leased Equipment	(529,929)	(175,272)		(705,201)
Right-to-use IT Software	(1,046,475)	(803,191)	625,563	(1,224,103)
Total Accumulated Depreciation/Amortization	<u>(45,200,330)</u>	<u>(8,657,332)</u>	<u>2,043,398</u>	<u>(51,814,264)</u>
Total Capital Assets, Being Depreciated/Amortized, Net	<u>71,644,334</u>	<u>(4,571,174)</u>	<u>-</u>	<u>67,073,160</u>
Governmental Activities Capital Assets, Net	<u>\$ 76,721,551</u>	<u>\$ (4,508,283)</u>	<u>\$ -</u>	<u>\$ 72,213,268</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Building Improvements	\$ 1,393,824	\$ 3,388		\$ 1,397,212
Land Improvements	554,164		-	554,164
Machinery and Equipment	969,559	17,809	-	987,368
Total Capital Assets Being Depreciated	<u>2,917,547</u>	<u>21,197</u>	<u>-</u>	<u>2,938,744</u>
Less Accumulated Depreciation for:				
Building Improvements		(69,693)		(69,693)
Land Improvements	(135,051)	(55,595)		(190,646)
Machinery and Equipment	(785,993)	(25,385)	-	(811,378)
Total Accumulated Depreciation	<u>(921,044)</u>	<u>(150,673)</u>	<u>-</u>	<u>(1,071,717)</u>
Total Capital Assets, Being Depreciated, Net	<u>1,996,503</u>	<u>(129,476)</u>	<u>-</u>	<u>1,867,027</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,996,503</u>	<u>\$ (129,476)</u>	<u>\$ -</u>	<u>\$ 1,867,027</u>

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

Governmental Activities:

Instruction	
Regular	\$ 560,663
Total Instruction	<u>560,663</u>
Support Services	
Student and Instruction Related Services	33,122
General Administrative Services	76,519
School Administrative Services	5,302
Central Services & Info. Technology	192,827
Plant Operations and Maintenance	7,436,311
Pupil Transportation	<u>352,588</u>
Total Support Services	<u>8,096,669</u>
Total Depreciation/Amortization Expense - Governmental Activities	<u>\$ 8,657,332</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 150,673</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 150,673</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2025:

<u>Project</u>	<u>Remaining Commitment</u>
Acquisition of Chromebooks	\$ 999,750
Acquisition of Middle School Classroom Furniture	276,323
Acquisition of High School Stem Lab Equipment	166,171
Replacement of Boiler at Middle School	244,058
Replacement of Doors at Middle School	569,408
Exterior Repairs at Schools #5, #8 and #10	529,342
Air Conditioning Project at High School	<u>269,674</u>
Total	<u>\$ 3,054,726</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2025, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 1,773,624
General Fund	Capital Projects Fund	801,398
General Fund	Food Service Fund	598,322
General Fund	Second River Purchasing Cooperative Fund	<u>25,239</u>
Total		<u>\$ 3,198,583</u>

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

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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

Interfund Transfers

	Transfer In:			
	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Transfer Out:				
General Fund		\$ 734,344	\$ 46,711	\$ 781,055
Capital Projects Fund	\$ 33,277	-	-	33,277
Total Transfers	\$ 33,277	\$ 734,344	\$ 46,711	\$ 814,332

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

F. Leases

Leases Payable

The District has entered into the following lease agreements as lessee for the right-to-use another entity's building or equipment.

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, 2025 the value of the lease liability was \$141,169. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$1,208,432 and had accumulated depreciation of \$1,087,589.

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, 2025 the value of the lease liability was \$312,716. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$2,515,391 and had accumulated depreciation of \$2,263,852.

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, 2025 the value of the lease liability was \$14,892. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$140,866 and had accumulated depreciation of \$126,779.

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, 2025 the value of the lease liability was 122,158. The equipment has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$754,187 and had accumulated depreciation of \$628,489.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases (Continued)

Leases Payable (Continued)

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, 2025 the value of the lease liability was \$34,925. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$166,222 and had accumulated depreciation of \$149,600.

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, 2025 the value of the lease liability was 13,234. The equipment has a 4.6 year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$63,246 and had accumulated depreciation of \$50,597.

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, 2025 the value of the lease liability was \$1,183,512. The building has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$3,567,060 and had accumulated depreciation of \$2,496,942.

On November 11, 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 \$26,605. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$417 to \$13,471. In addition, the District has the option to purchase the equipment for the fair market value at the end of the lease term. As of June 30, 2025 the value of the lease liability was \$7,422. The equipment has a five year estimated useful life. The value of the right -to-use asset as of June 30, 2025 is \$26,605 and had accumulated depreciation of \$18,624.

On March 15, 2022, the District entered into a five year lease agreement as lessee for the use of an athletic indoor training facility. An initial lease liability was recorded in the amount of \$2,329,984. The lease has an interest rate of 3.50%. The District is required to make monthly payments of \$24,359 to \$44,790. In addition, at the conclusion of the initial five year lease term the District has the option to renew for three (3) successive terms of five (5) years each. As of June 30, 2025 the value of the lease liability was \$864,528. The building has a five year estimated useful life. The value of the right -to-use asset as of June 30, 2025 is \$2,329,984 and had accumulated depreciation of \$1,553,323.

In October 2023, 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 \$14,514. The lease has an interest rate of 5.08%. The District is required to make annual payments of \$828 to \$3,152. In addition, the District has the option to purchase the equipment for the fair market value at the end of the lease term. As of June 30, 2025 the value of the lease liability was \$9,834. The equipment has a five year estimated useful life. The value of the right -to-use asset as of June 30, 2025 is \$14,514 and had accumulated depreciation of \$5,080.

In December 2023 the District amended a previous lease agreement entered into on May 15, 2023, the District entered into a five year lease agreement as lessee for the use of office space. The amendment was for additional storage, office and expansion space. The amended lease liability was recorded in the amount of \$908,359. The lease has an interest rate of 5.08%. The District is required to make annual payments of \$51,818 to \$198,151. In addition, 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, 2025 the value of the lease liability was \$523,418. The office space has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$908,359 and had accumulated depreciation of \$415,608.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases (Continued)

Leases Payable (Continued)

In November 2024, the District entered into a five year lease agreement as lessee for the use of a mail machine. An initial lease liability was recorded in the amount of \$20,618. The lease has an interest rate of 4.09%. The District is required to make annual payments of \$4,635. As of June 30, 2025 the value of the lease liability was \$18,722. The equipment has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$20,618 and had accumulated depreciation of \$2,061.

On January 23, 2025 The District entered into a five year lease agreement as lessee for the use of a building. An initial lease was recorded in the amount of \$1,344,265. The lease has an interest rate of 4.09%. The District is required to make annual payments of \$285,600 to \$320,415. As of June 30, 2025 the value of the lease liability was \$1,248,174. The building has a five year estimated useful life. The value of the right-to-use as of June 30, 2025 if \$1,344,265 and has accumulated depreciation of \$112,020.

In April 2025, the District entered into a five year lease agreement as lessee for the use of a mail machine at the high school. An initial lease liability was recorded in the amount of \$10,503. The lease has an interest rate of 4.09%. The District is required to make annual payments of \$2,390. As of June 30, 2025 the value of the lease liability was \$10,319. The equipment has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$10,503 and had accumulated depreciation of \$350.

In May 2025, 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 \$771,742. The lease has an interest rate of 4.09%. The District is required to make annual payments of \$173,793. As of June 30, 2025 the value of the lease liability was \$771,742. The equipment has a five year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$771,742 and had no accumulated depreciation.

The future principal and interest lease payments as of June 30, 2025 are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,507,123	\$ 163,467	\$ 2,670,590
2027	1,372,834	93,805	1,466,639
2028	579,834	56,179	636,013
2029	463,235	33,391	496,626
2030	353,739	11,271	365,010
Total	<u>\$ 5,276,765</u>	<u>\$ 358,113</u>	<u>\$ 5,634,878</u>

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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

Capital financing agreements at June 30, 2025 are comprised of the following:

\$242,636, fiscal year 2023 Agreement for the acquisition of a school buses for a term of 5 years due in a annual principal installment of \$46,053 to \$50,048 on August 15, 2022 interest at 4.25%	\$ 98,058
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\$213,228, fiscal year 2023 Agreement for the acquisition of school buses for a term of 5 years due in annual principal installments of \$38,298 to \$45,115 through August 15, 2027 interest at 5.62%	128,288
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\$11,900,000, fiscal year 2023 Shared Service Agreement for the purchase and renovation of the Eastern International College for a term of 10 years due in annual principal installments of \$1,190,000 through July 1, 2032 interest at 5.00% (estimated rate subject to change)	9,520,000
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\$138,430, fiscal year 2024 Agreement for the acquisition of classroom equipment for a term of 5 years due in annual principal installments of \$17,212 to \$19,361 through July 1, 2027 interest at 4.00%	55,878
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\$146,678, fiscal year 2024 Agreement for the acquisition of school buses for a term of 5 years due in annual principal installments of \$26,339 to \$31,034, through October 20, 2027 interest at 5.62%	88,237
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\$5,600,038, fiscal year 2024 Agreement for the refinancing of technology and security equipment and improvements and the acquisition of new technology equipment and improvements for a term of 5 years due in semi-annual principal installments of \$50,000 to \$797,315 through February 19, 2028 interest at 5.35%	4,392,274
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Total	<u>\$ 14,282,735</u>
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**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Other Financing Agreements

The District entered into the following agreements to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

Other financing agreements at June 30, 2025 are comprised of the following:

\$1,661,570, fiscal year 2024 Agreement for
the acquisition of classroom supplies and materials for a term
of 5 years due in annual principal installments
of \$206,595 to \$232,391 through July 1, 2027
interest at 4.00%

\$ 670,703

Shared Service Agreement - The District has entered into a shared service agreement with the Township of Belleville to jointly undertake the acquisition of a property formerly known as the Eastern International College – Belleville Campus and make certain improvements of this property including construction of a parking deck. The property is owned by the District and will be utilized for a school as well as community facilities for various municipal purposes and programs, including athletic, recreational and community programs. The District will fund the Project through the Township's issuance of Bonds or Notes in exchange for use of various community programs. The District will be responsible to fund the total costs of the Project based on an initial payment of \$600,000 from the Capital Reserve and annual principal payment of \$1,190,000 over ten years. The total estimated cost of the project is \$12,500,000. The Township adopted a bond ordinance on April 22, 2022 to provide the funding for the Project. The shared service agreement is reported as a capital financing agreement.

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

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Capital Financing Agreements</u>		<u>Other Financing Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2026	\$ 2,687,431	\$ 784,062	\$ 214,859	\$ 25,305	\$ 3,711,657
2027	2,792,491	619,115	223,453	17,096	3,652,155
2028	2,852,813	416,612	232,391	8,661	3,510,477
2029	1,190,000	297,500	-	-	1,487,500
2030	1,190,000	238,000	-	-	1,428,000
2031-2033	<u>3,570,000</u>	<u>357,000</u>	<u>-</u>	<u>-</u>	<u>3,927,000</u>
Total	<u>\$ 14,282,735</u>	<u>\$ 2,712,289</u>	<u>\$ 670,703</u>	<u>\$ 51,062</u>	<u>\$ 17,716,789</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Subscription – Based Information Technology Arrangements (SBITAs)

In March 2023, the District entered into a three year SBITA for the use of instructional learning software. An initial subscription liability was recorded in the amount of \$55,363. The SBITA has an interest rate of 4.79%. The District is required to make annual payments of \$17,598 to \$19,324. As of June 30, 2025 the value of the subscription liability was \$19,324. The software has a three year estimated useful life. The value of the right-to-use IT subscription asset as of June 30, 2025 is \$55,363 and had accumulated depreciation of \$36,909.

In October 2022 the District entered into a three year SBITA for the use of dedicated internet access software. An initial subscription liability was recorded in the amount of \$91,364. The SBITA has an interest rate of 5.08%. The District is required to make annual payments of \$28,959 to \$31,976. As of June 30, 2025 the value of the subscription liability was \$31,976. The dedicated internet access has a three year estimated useful life. The value of the right-to-use IT subscription asset as of June 30, 2024 is \$91,364 and accumulated depreciation of \$60,909

In May 2023, the District entered into a five year SBITA for the use of instructional learning software. An initial subscription liability was recorded in the amount of \$302,277. The SBITA has an interest rate of 5.08%. The District is required to make annual payments of \$9,089 to \$63,808. As of June 30, 2025 the value of the subscription liability was \$180,406. The software has a five year estimated useful life. The value of the right-to-use IT subscription asset as of June 30, 2025 is \$302,277 and had accumulated depreciation of \$130,987.

In April 2023, the District entered into a two year SBITA for the use of instructional learning software. An initial subscription liability was recorded in the amount of \$324,097. The SBITA has an interest rate of 4.79%. The District is required to make annual payments of \$9,828 to \$112,550. As of June 30, 2025 the value of the subscription liability was \$122,378. The software has a two year estimated useful life. The value of the right-to-use IT subscription asset as of June 30, 2025 is \$324,097 and accumulated depreciation of \$207,062.

In May 2023, the District entered into a five year SBITA for the use of instructional learning software. An initial subscription liability was recorded in the amount of \$1,695,969. The SBITA has an interest rate of 5.08%. The District is required to make annual payments of \$306,439 to \$373,613. As of June 30, 2025 the value of the subscription liability was \$1,067,526. The instructional learning software has a five year estimated useful life. The value of the right-to-use IT subscription asset as of June 30, 2024 is \$1,695,969 and accumulated depreciation of \$678,388.

In October 2023, the District entered into a thirty-four (34) month SBITA for the use of instructional learning software. An initial subscription liability was recorded in the amount of \$91,200. The SBITA has an interest rate of 5.08%. The District is required to make annual payments of \$2,929 to \$33,446. As of June 30, 2025 the value of the subscription liability was \$36,376. The instructional learning software has a thirty-four (34) month estimated useful life. The value of the right-to-use IT subscription asset as of June 30, 2025 is \$91,200 and accumulated depreciation of \$56,329.

In October 2023, the District entered into a thirty (30) month SBITA for the use of instructional learning software. An initial subscription liability was recorded in the amount of \$89,199. The SBITA has an interest rate of 4.69%. The District is required to make annual payments of \$3,101 to \$33,958. As of June 30, 2025 the value of the subscription liability was \$38,651. The instructional learning software has a thirty (30) month estimated useful life. The value of the right-to-use IT subscription asset as of June 30, 2025 is \$89,199 and accumulated depreciation of \$53,519.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Subscription – Based Information Technology Arrangements (SBITAs) (Continued)

The future principal and interest SBITA payments as of June 30, 2025 are as follows:

Governmental Activities:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 631,932	\$ 75,468	\$ 707,400
2027	435,218	43,185	478,403
2028	429,487	21,345	450,832
Total	<u>\$ 1,496,637</u>	<u>\$ 139,998</u>	<u>\$ 1,636,635</u>

I. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2025 are comprised of the following issues:

\$48,536,000, 2018 Bonds, due in annual
installments of \$1,540,000 to \$2,740,000
through September 1, 2042 interest at 3.00% to 4.00% \$38,750,000

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		Total
	Principal	Interest	
2026	\$ 1,585,000	\$ 1,386,075	\$ 2,971,075
2027	1,635,000	1,337,775	2,972,775
2028	1,685,000	1,287,975	2,972,975
2029	1,735,000	1,236,675	2,971,675
2030	1,795,000	1,183,725	2,978,725
2031-2035	9,970,000	4,992,913	14,962,913
2036-2040	12,125,000	2,895,500	15,020,500
2041-2043	8,220,000	493,200	8,713,200
Total	<u>\$ 38,750,000</u>	<u>\$ 14,813,838</u>	<u>\$ 53,563,838</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

I. Long-Term Debt (Continued)

Statutory Borrowing Power

The District's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2025 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 169,654,934
Less: Net Debt Issued and Authorized But Not Issued	<u>38,750,601</u>
Remaining Borrowing Power	<u>\$ 130,904,333</u>

J. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2025, was as follows:

	Balance, July 1, 2024	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2025	Within One Year
Governmental Activities:					
Bonds Payable	\$ 40,290,000	-	\$ 1,540,000	\$ 38,750,000	\$ 1,585,000
Capital Financing Agreements	17,483,588		3,200,853	14,282,735	2,687,431
Other Financing Agreements	877,298		206,595	670,703	214,859
State Aid Advance Loan Payable	416,239		416,239	-	-
Compensated Absences	3,864,922	\$ 495,645	161,761	4,198,806	175,000
Leases Payable	5,907,928	2,147,128	2,778,291	5,276,765	2,507,123
IT Subscription Arrangements	2,283,059		786,422	1,496,637	631,632
Net Pension Liability	<u>12,460,567</u>	<u>1,481,931</u>	<u>1,269,137</u>	<u>12,673,361</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 83,583,601</u>	<u>\$ 4,124,704</u>	<u>\$ 10,359,298</u>	<u>\$ 77,349,007</u>	<u>\$ 7,801,045</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 agreement, other financing agreements, state aid advance loan, compensated absences, IT subscription arrangements and net pension liability are generally liquidated by the general fund.

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 District has obtained 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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

For fiscal years prior to July 1, 2014 the District was self-insured for its worker's compensation plan for its employees. It has subsequently obtained 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 at June 30, 2025, are reported as claims and judgments payable. These estimates were determined based on claim information supplied by the claims administrator. The unpaid claims liability of \$59,757 reported at June 30, 2025 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, 2025 and 2024 are as follows:

Governmental Activities: or (Business-Type Activities)	<u>Fiscal Year Ended</u>	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Unpaid Claims, Beginning of Year	\$ 46,875	\$ 63,788
Incurred Claims	19,480	66,088
Claim Payments	(6,598)	(83,001)
Unpaid Claims, End of Year	<u>59,757</u>	<u>46,875</u>

The District is a member of the New Jersey Schools Insurance Group (NJ SIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims. NJSIG also provides insured coverage (multi-peril) to its member school districts.

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

NJ SIG 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 fund 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.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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:

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2025	NONE	\$ 108,366	\$ 3,357	\$ 70,546	\$ 169,062
2024	NONE	101,255	10,130	281,416	165,705
2023	NONE	94,056	9,244	40,198	213,755

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 District’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 District 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 District may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenditures have not been audited by the various grantor agencies but the District 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, 2025, the District has not estimated its arbitrage earnings due to the IRS, if any.

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 District 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.nj.gov/treasury/pensions/annual-reports.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

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, by 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.nj.gov/treasury/pensions/annual-reports.

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.

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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 age their 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 District 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 PERS 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.nj.gov/treasury/pensions.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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. Empower Retirement (formerly Prudential) 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.nj.gov/treasury/doinvest.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2024 is \$13.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 68.22%. The collective net pension liability of the State funded TPAF at June 30, 2024 is \$49.5 billion and the plan fiduciary net position as a percentage of total pension liability is 37.99%.

The total pension liabilities for the June 30, 2024 measurement date were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

Actuarial Methods and Assumptions

In the July 1, 2023 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 2025.

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, 2023 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 more 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 District. PERS employer contributions are made annually by the District 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 District for fiscal years 2025, 2024 and 2023 were equal to the required contributions.

During the fiscal years ended June 30, 2025, 2024 and 2023 the District 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>
2025	\$ 1,269,137	\$ 14,577,284	\$ 145,137
2024	1,149,784	13,854,946	127,449
2023	905,624	12,958,643	87,810

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2025, 2024 and 2023 the State contributed \$6,895, \$5,601 and \$4,776, 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 District \$3,268,309 during the fiscal year ended June 30, 2025 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 based on a measurement date no earlier than the end of the employer's prior fiscal year. 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, 2022 through June 30, 2023. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

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/(benefit) 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, 2024 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024.

At June 30, 2025, the District reported in the statement of net position (accrual basis) a liability of \$12,673,361 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024. At June 30, 2024, the District's proportionate share was .09327 percent, which was an increase of .00724 percent from its proportionate share measured as of June 30, 2023 of .08603 percent.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,088,659 for PERS. The pension contribution made by the District during the current 2024/2025 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, 2025 with a measurement date of the prior fiscal year end of June 30, 2024. 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, 2025 for contributions made subsequent to the measurement date. At June 30, 2025, 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	\$ 253,871	\$ 33,740
Changes of Assumptions	15,744	144,194
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	587,629
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>2,405,710</u>	<u>28,562</u>
Total	<u>\$ 2,675,325</u>	<u>\$ 794,125</u>

At June 30, 2025, 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>
2026	\$ 64,798
2027	1,103,425
2028	423,756
2029	255,817
2030	33,404
Thereafter	<u>-</u>
	<u>\$ 1,881,200</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55%
	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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2024) 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, 2023 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%	7.10%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Investment Grade Credit	7.00%	5.37%
US Equity	28.00%	8.63%
Non-US Developed Markets Equity	12.75%	8.85%
Emerging Markets Equity	5.50%	10.66%
High Yield	4.50%	6.74%
Real Assets	3.00%	8.20%
Private Credit	8.00%	8.90%
Real Estate	8.00%	10.95%
Private Equity	13.00%	12.40%
International Small Cap Equity	1.25%	8.85%

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2024. 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 as of the June 30, 2024 measurement date 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>16,839,781</u>	\$ <u>12,673,361</u>	\$ <u>9,127,761</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, 2024. A sensitivity analysis specific to the District’s net pension liability at June 30, 2024 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 PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2023 through June 30, 2024. 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, 2024, the State's pension contribution was more 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, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension (benefit) of \$(579,587) 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, 2025 the State's proportionate share of the net pension liability attributable to the District is \$158,884,688. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024. At June 30, 2024, the State's share of the net pension liability attributable to the District was .32147 percent, which was an increase of .00882 percent from its proportionate share measured as of June 30, 2023 of .31265 percent.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2024) 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, 2024 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%	7.10%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Investment Grade Credit	7.00%	5.37%
US Equity	28.00%	8.63%
Non-US Developed Markets Equity	12.75%	8.85%
Emerging Markets Equity	5.50%	10.66%
High Yield	4.50%	6.74%
Real Assets	3.00%	8.20%
Private Credit	8.00%	8.90%
Real Estate	8.00%	10.95%
Private Equity	13.00%	12.40%
International Small Cap Equity	1.25%	8.85%

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2024. 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 PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 as of the June 30, 2024 measurement date 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>\$ 188,856,944</u>	<u>\$ 158,884,688</u>	<u>\$ 133,642,382</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, 2024. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2024 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, 2024. 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 District employees and retirees eligible for coverage.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 Public School District 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, the Police and Firemen Retirement System (PFRS) or Alternate Benefits Program (ABP) who retire from a Public School District or county college with 25 years of service or on a disability retirement. 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, 2023:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>153,556</u>
Total	<u>372,741</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans 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.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2024 is \$52.4 \$59.7 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2024 were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the July 1, 2023 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 \$1.50 billion to the OPEB plan in fiscal year 2024.

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, 2025, 2024 and 2023 were \$4,529,494, \$3,770,809 and \$3,404,204, 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 based on a measurement date no earlier than the end of the employer's prior fiscal year. 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, 2023 through June 30, 2024. 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.

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$6,646,993. 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, 2025 the State's proportionate share of the OPEB liability attributable to the District is \$171,099,687. The State's proportionate share of the OPEB liability attributable to the District was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2024. At June 30, 2024, the state's share of the OPEB liability attributable to the District was .28684 percent, which was an increase of .00054 percent from its proportionate share measured as of June 30, 2023 of .28630 percent.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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)

Actuarial Assumptions

The OPEB liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 5.65% Based on Years of Service

Mortality Rates

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 July 1, 2023 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2018 to June 30, 2021.

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is, increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend is, increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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)

Discount Rate

The discount rate for June 30, 2024 was 3.93%. 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, 2025 (measurement date June 30, 2024) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2023 Measurement Date	\$ 149,912,680
Changes Recognized for the Fiscal Year:	
Service Cost	6,330,478
Interest on the Total OPEB Liability	5,632,196
Differences Between Expected and Actual Experience	577,917
Changes of Assumptions	12,800,532
Gross Benefit Payments	(4,301,400)
Contributions from the Member	147,284
Net Changes	21,187,007
Balance, June 30, 2024 Measurement Date	\$ 171,099,687

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024.

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, 2024.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 as of the June 30, 2024 measurement date calculated using the discount rate of 3.93%, 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 (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	1% Decrease <u>(2.93%)</u>	Current Discount Rate <u>(3.93%)</u>	1% Increase <u>(4.93%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 200,394,377</u>	<u>\$ 171,099,687</u>	<u>\$ 147,540,675</u>

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 as of June 30, 2024 measurement date 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 <u></u>	Healthcare Cost Trend Rates	1% Increase <u></u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 142,527,285</u>	<u>\$ 171,099,687</u>	<u>\$ 208,317,126</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024 were not provided by the pension system.

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**BELLEVILLE PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Property Taxes	\$ 48,242,133		\$ 48,242,133	\$ 48,242,133	
Tuition From Other LEAs Within the State	114,000		114,000	124,658	\$ 10,658
Rents and Royalties	100,000		100,000	121,965	21,965
Transportation Fees from LEAs	-			41,000	41,000
Interest on Maintenance Reserve	1,500		1,500	1,500	-
Interest on Capital Reserve	5,000		5,000	5,000	-
Interest on Unemployment Reserve				3,357	3,357
Interest Earnings				364,530	364,530
Unrestricted Miscellaneous Revenues	500,000	-	500,000	320,422	(179,578)
Total Local Revenues	48,962,633	-	48,962,633	49,224,565	261,932
State Sources					
Special Education Aid	5,723,423		5,723,423	5,723,423	
Equalization Aid	57,979,973		57,979,973	57,979,973	
Security Aid	2,256,587		2,256,587	2,256,587	
Transportation Aid	625,449		625,449	625,449	
Extraordinary Special Education Costs Aid	650,000		650,000	1,284,431	634,431
Additional Non-Public Transportation Aid				128,892	128,892
Menstrual Product Reimbursement Aid				16,742	16,742
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				14,398,920	14,398,920
Pension - NCGI Premium				178,364	178,364
Post Retirement Medical Benefit Contribution				4,259,494	4,259,494
Long Term Disability Insurance				6,895	6,895
Reimbursed Social Security Contribution	-	-	-	3,268,309	3,268,309
Total State Revenues	67,235,432	-	67,235,432	90,127,479	22,892,047
Federal Sources					
Special Education Medicaid Initiative Reimbursement	162,551	-	162,551	92,964	(69,587)
	162,551	-	162,551	92,964	(69,587)
Total Revenues	116,360,616	-	116,360,616	139,445,008	23,084,392
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	1,495,903	(68,298)	1,427,605	1,427,605	-
Grades 1-5	8,692,458	(31,660)	8,660,798	8,660,798	-
Grades 6-8	5,298,585	(334,717)	4,963,868	4,963,141	727
Grades 9-12	10,455,014	(340,365)	10,114,649	10,114,649	-
Regular Programs - Home Instruction					
Salaries of Teachers	250,000	109,001	359,001	359,001	-
Purchased Professional-Educational Services	250,000	33,724	283,724	247,466	36,258
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	766,286	117,306	883,592	883,592	-
Purchased Professional-Educational Services	1,818,571	1,499,148	3,317,719	3,317,273	446
Purchased Technical Services	5,750	(250)	5,500	5,500	-
Other Purchased Services	19,250	31,809	51,059	51,050	9
Miscellaneous Purchased Services		-			-
General Supplies	2,350,000	677,260	3,027,260	1,457,157	1,570,103
Textbooks	800,000	38,063	838,063	838,063	-
Other Objects	6,000	973	6,973	6,794	179
Total Regular Programs	32,207,817	1,731,994	33,939,811	32,332,089	1,607,722
Special Education					
Learning / Language Disabilities - Mild/Moderate					
Salaries of Teachers	445,438	68,867	514,305	514,305	-
Other Salaries for Instruction	215,262	20,253	235,515	235,515	-
Total Learning / Language Disabilities - Mild/Moderate	660,700	89,120	749,820	749,820	-

BELLEVILLE PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Emotional Regulation Impairment					
Salaries of Teachers	\$ 519,093	\$ (83,690)	\$ 435,403	\$ 435,403	\$ -
Other Salaries for Instruction	45,802	42,694	88,496	88,496	-
Total Emotional Regulation Impairment	564,895	(40,996)	523,899	523,899	-
Multiple Disabilities					
Salaries of Teachers	299,960	(65,804)	234,156	234,156	-
Other Salaries for Instruction	146,930	38,473	185,403	185,403	-
Total Multiple Disabilities	446,890	(27,331)	419,559	419,559	-
Resource Room / Resource Center					
Salaries of Teachers	4,054,681	219,087	4,273,768	4,273,768	-
Other Salaries for Instruction	586,957	(139,872)	447,085	447,085	-
Total Resource Room / Resource Center	4,641,638	79,215	4,720,853	4,720,853	-
Autism					
Salaries of Teachers	677,383	(50,754)	626,629	626,629	-
Other Salaries for Instruction	275,622	89,466	365,088	365,088	-
General Supplies	25,000	(1,474)	23,526	23,526	-
Total Autism	978,005	37,238	1,015,243	1,015,243	-
Preschool Disabilities - Full - Time					
Salaries of Teachers	205,272	142,194	347,466	347,466	-
Other Salaries for Instruction	387,483	394,703	782,186	782,186	-
Total Preschool Disabilities - Full - Time	592,755	536,897	1,129,652	1,129,652	-
Home Instruction					
Salaries of Teachers	175,000	113,206	288,206	288,206	-
Total Home Instruction	175,000	113,206	288,206	288,206	-
Total Special Education	8,059,883	787,349	8,847,232	8,847,232	-
Basic Skills/Remedial					
Salaries of Teachers	1,269,689	(158,863)	1,110,826	1,110,826	-
Total Basic Skills/Remedial	1,269,689	(158,863)	1,110,826	1,110,826	-
Bilingual Education					
Salaries of Teachers	1,859,277	(71,903)	1,787,374	1,782,376	4,998
Purchased Prof. - Ed. Svcs.	10,000	32,000	42,000	40,500	1,500
General Supplies	45,000	1,236	46,236	46,236	-
Textbooks	50,000	(50,000)			-
Other Objects	-	157	157	157	-
Total Bilingual Education	1,964,277	(88,510)	1,875,767	1,869,269	6,498
School Sponsored Co-Curricular Activities					
Salaries	462,184	35,034	497,218	497,218	-
Total School Sponsored Co-Curricular Activities	462,184	35,034	497,218	497,218	-
School Sponsored Athletics - Instruction					
Salaries	856,562	(83,612)	772,950	758,163	14,787
Purchased Education Services		8,269	8,269	6,350	1,919
Purchased Services	108,000	(38,604)	69,396	67,557	1,839
Supplies and Materials	168,750	15,130	183,880	160,211	23,669
Other Objects	87,480	(2,049)	85,431	70,940	14,491
Total School Sponsored Athletics - Instruction	1,220,792	(100,866)	1,119,926	1,063,221	56,705

**BELLEVILLE PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Total - Instruction	\$ 45,184,642	\$ 2,206,138	\$ 47,390,780	\$ 45,719,855	\$ 1,670,925
Undistributed Expenditures					
Instruction (Tuition)					
Tuition - Other LEA's Within State - Reg.	25,000	11,322	36,322	36,322	-
Tuition - Other LEA's Within State - Special	396,700	(242,308)	154,392	151,419	2,973
Tuition to County Vocational School District-Reg.	487,500	(145,253)	342,247	342,247	-
Tuition to County Vocational School/Dist.-Spec.	66,500	(30,084)	36,416	36,416	-
Tuition to County Special Services - School Districts & Regional Day Schools	240,000	(43,109)	196,891	163,953	32,938
Tuition to Private Schools - Disabled Within State	3,800,000	72,429	3,872,429	3,865,106	7,323
Tuition - State Facilities	4,500	-	4,500	4,500	-
Total Undistributed Expenditures - Instruction (Tuition)	5,020,200	(377,003)	4,643,197	4,599,963	43,234
Attendance and Social Work Services					
Salaries	174,997	(5,775)	169,222	169,222	-
Purchased Professional and Technical Services	550,000	111,779	661,779	661,779	-
Supplies and Materials	-	6,037	6,037	6,037	-
Total Attendance and Social Work Services	724,997	112,041	837,038	837,038	-
Health Services					
Salaries	884,789	(120,943)	763,846	763,846	-
Purchased Professional and Technical Services	190,000	(143,552)	46,448	46,448	-
Purchased Education Services		318,288	318,288	318,288	-
Other Purchased Services	50,000	(500)	49,500	16,763	32,737
Supplies and Materials	52,550	(15,383)	37,167	37,167	-
Supplies - Menstrual Products	-	16,742	16,742	16,742	-
Total Health Services	1,177,339	54,652	1,231,991	1,199,254	32,737
Speech, OT, PT and Related Services					
Salaries	1,447,366	(91,869)	1,355,497	1,355,497	-
Purchased Education Services	1,015,000	(985,320)	29,680	22,680	7,000
Purchased Professional and Technical Services	-	762,262	762,262	760,711	1,551
Total Speech, OT, PT and Related Services	2,462,366	(314,927)	2,147,439	2,138,888	8,551
Other Support Services-Students-Extra Services					
Purchased Professional-Educational Services	950,000	389,655	1,339,655	1,335,941	3,714
Total Other Support Services-Extra	950,000	389,655	1,339,655	1,335,941	3,714
Guidance					
Salaries of Other Professional Staff	2,109,952	(157,795)	1,952,157	1,928,699	23,458
Salaries of Secretarial and Clerical Assistants	136,459	1,371	137,830	137,297	533
Purchased Professional-Educational Services	10,000	17,074	27,074	23,938	3,136
Supplies and Materials	25,000	(18,939)	6,061	3,341	2,720
Other Objects	-	1,448	1,448	1,448	-
Total Guidance	2,281,411	(156,841)	2,124,570	2,094,723	29,847
Child Study Team					
Salaries of Other Professional Staff	2,680,889	(158,927)	2,521,962	2,511,510	10,452
Salaries of Secretarial and Clerical Assistants	214,435	(2,948)	211,487	211,456	31
Purchased Professional-Educational Services		42,947	42,947	31,625	11,322
Other Purchased Professional and Technical Services	60,000	(28,888)	31,112	24,188	6,924
Other Purchased Services	20,000	(19,800)	200	200	-
Supplies and Materials	145,000	1,500	146,500	140,206	6,294
Total Child Study Team	3,120,324	(166,116)	2,954,208	2,919,185	35,023
Improvement of Instruction Services					
Salaries of Other Professional Staff	150,000	(115,919)	34,081	34,081	-
Total Improvement of Instruction Services	150,000	(115,919)	34,081	34,081	-

**BELLEVILLE PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Educational Media Services/School Library					
Salaries	\$ 385,427	\$ 400	\$ 385,827	\$ 381,968	\$ 3,859
Supplies and Materials	54,930	(11,556)	43,374	33,242	10,132
Total Educational Media Services/School Library	440,357	(11,156)	429,201	415,210	13,991
Support Services General Administration					
Salaries	550,000	(91,525)	458,475	437,937	20,538
Salaries of State Monitors	75,000	37,693	112,693	112,692	1
Repayment of Principal -NJ DOE Loan	416,243	-	416,243	416,239	4
Legal Services	260,000	(29,416)	230,584	208,719	21,865
Audit Fees	85,000	85,666	170,666	121,666	49,000
Architectural/Engineering Services	-	274,400	274,400	187,584	86,816
Other Purchased Professional Services	95,000	39,216	134,216	121,494	12,722
Communications/Telephone	86,000	(34,876)	51,124	51,124	-
BOE Other Purchased Services	7,500	(7,401)	99	-	99
Miscellaneous Purchased Services	850,000	(278,442)	571,558	565,374	6,184
General Supplies	22,000	(10,525)	11,475	8,520	2,955
Judgments Against the School District	500,000	(460,001)	39,999	39,999	-
Miscellaneous Expenditures	25,000	(17,569)	7,431	7,430	1
BOE Membership Dues and Fees	45,000	(12,666)	32,334	30,134	2,200
Total Support Services General Administration	3,016,743	(505,446)	2,511,297	2,308,912	202,385
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	3,258,949	13,560	3,272,509	3,272,509	-
Salaries of Other Professional Staff	2,093,445	(76,638)	2,016,807	2,016,807	-
Salaries of Secretarial and Clerical Assistants	1,084,185	14,283	1,098,468	1,083,279	15,189
Purchased Professional and Technical Services	2,625	21,167	23,792	19,176	4,616
Other Purchased Services	215,000	2,045	217,045	208,545	8,500
Supplies and Materials	250,000	(72,622)	177,378	129,645	47,733
Other Objects	-	703	703	703	-
Total Support Services School Administration	6,904,204	(97,502)	6,806,702	6,730,664	76,038
Central Services					
Salaries	989,920	38,050	1,027,970	1,010,690	17,280
Purchased Technical Services	55,000	28,622	83,622	79,044	4,578
Miscellaneous Purchased Services	208,000	(137,510)	70,490	65,403	5,087
Supplies and Materials	45,000	(12,914)	32,086	26,304	5,782
Interest on Lease Purchase Agreements	175,000	57,484	232,484	232,484	-
Miscellaneous Expenditures	-	22,943	22,943	18,724	4,219
Total Central Services	1,472,920	(3,325)	1,469,595	1,432,649	36,946
Administration Information Technology					
Salaries	742,746	105,824	848,570	846,207	2,363
Purchased Technical Services	500,000	830,195	1,330,195	1,315,175	15,020
Other Purchased Services	525,000	(227,351)	297,649	297,511	138
Supplies and Materials	-	168,947	168,947	168,947	-
Total Administration Information Technology	1,767,746	877,615	2,645,361	2,627,840	17,521
Required Maintenance for School Facilities					
Salaries	1,226,289	(12,132)	1,214,157	1,214,156	1
Cleaning, Repair & Maintenance Services	580,000	366,555	946,555	933,184	13,371
Cleaning, Repair & Maintenance Services	-	-	-	10,713	(10,713)
- Insurance Recovery Expenditures (Non-Budget)	-	2,049	2,049	2,049	-
Purchased Technical Services	-	600	600	600	-
Other Purchased Services	-	-	-	-	-
General Supplies	1,100,000	(2,198)	1,097,802	869,686	228,116
Total Required Maintenance for School Facilities	2,906,289	354,874	3,261,163	3,030,388	230,775

**BELLEVILLE PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Custodial Services					
Salaries	\$ 3,448,738	\$ (177,727)	\$ 3,271,011	\$ 3,271,011	
Cleaning, Repair and Maintenance Services	320,000	(319,000)	1,000	1,000	
Rental of Land & Buildings Other Than Lease Purchase Agreement	711,246	(72,042)	639,204	635,529	\$ 3,675
Other Purchased Property Services	75,000	(21,325)	53,675	53,675	-
Insurance	550,000	7	550,007	550,007	-
Miscellaneous Purchased Services	8,000	8,511	16,511	16,511	-
General Supplies	15,000	(14,966)	34	34	-
Energy (Natural Gas)	420,000	(51,509)	368,491	368,491	-
Energy (Electricity)	775,000	(70,299)	704,701	704,701	-
Other Objects	2,500	(218)	2,282	1,962	320
Total Custodial Services	<u>6,325,484</u>	<u>(718,568)</u>	<u>5,606,916</u>	<u>5,602,921</u>	<u>3,995</u>
Care and Upkeep of Grounds					
Salaries	158,408	1,183	159,591	159,591	-
Cleaning, Repair and Maintenance Services	15,000	(14,038)	962	962	-
General Supplies	10,000	(4,760)	5,240	5,240	-
Total Care and Upkeep of Grounds	<u>183,408</u>	<u>(17,615)</u>	<u>165,793</u>	<u>165,793</u>	<u>-</u>
Security					
Salaries	1,300,000	72,449	1,372,449	1,372,449	-
Purchased Professional & Technical Services	150,000	(16,784)	133,216	126,716	6,500
Cleaning, Repair, and Maintenance Services	5,000	(5,000)			-
General Supplies	5,000	(1,915)	3,085	3,085	-
Total Security	<u>1,460,000</u>	<u>48,750</u>	<u>1,508,750</u>	<u>1,502,250</u>	<u>6,500</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	447,204	(5,312)	441,892	441,892	-
Salaries for Pupil Transportation (Between Home and School) - Regular	541,707	75,585	617,292	617,292	-
Salaries for Pupil Transportation (Between Home and School) - Special	444,370	133,040	577,410	577,410	-
Other Purchased Professional and Technical Services	1,000	406	1,406	1,406	-
Cleaning, Repair and Maintenance Services	50,000	(7,621)	42,379	40,944	1,435
Lease Purchase Payments - School Buses	205,304	-	205,304	205,304	-
Contracted Services - Aid in Lieu Payments - Non-Public Schools	385,000	(38,209)	346,791	300,066	46,725
Contracted Services - Aid in Lieu Payments - Charter Schools	55,000	(3,213)	51,787	42,372	9,415
Contracted Services (Between Home and School) - Vendors	15,000	821	15,821	15,768	53
Contracted Services (Other Than Between Home and School) - Vendors	75,000	4,214	79,214	79,214	-
Contracted Services (Between Home and School) - Joint Agreement					
Contracted Services - Field Trips	20,000	(6,967)	13,033	13,033	-
Contracted Services (Spec Ed) - Vendors	3,750,000	(214,111)	3,535,889	3,535,889	-
Contracted Services (Reg Ed) - ESC's & CTSA's	100,000	(13,708)	86,292	86,292	-
Transportation Supplies	35,000	3,596	38,596	21,150	17,446
Other Objects	5,000	(850)	4,150	4,150	-
Total Student Transportation Services	<u>6,129,585</u>	<u>(72,329)</u>	<u>6,057,256</u>	<u>5,982,182</u>	<u>75,074</u>
Unallocated Benefits					
Social Security Contributions	1,500,000	46,470	1,546,470	1,546,313	157
Other Retirement Contributions - PERS	1,300,000	-	1,300,000	1,275,312	24,688
Other Retirement Contributions - DCRP	100,000	47,521	147,521	145,137	2,384
Unemployment Compensation	77,000	-	77,000		77,000
Workmen's Compensation	750,000	(19,821)	730,179	730,179	-
Health Benefits	13,650,000	(857,999)	12,792,001	12,662,816	129,185
Tuition Reimbursement	185,000	(81,250)	103,750	103,750	-
Other Employee Benefits	375,000	181,605	556,605	528,948	27,657
Unused Sick Payment to Terminated/Retired Staff	175,000	(12,114)	162,886	161,761	1,125
Total Unallocated Benefits	<u>18,112,000</u>	<u>(695,588)</u>	<u>17,416,412</u>	<u>17,154,216</u>	<u>262,196</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
On Behalf TPAF Contributions (Non Budgeted)					
Pension Benefit Contribution				14,398,920	\$ (14,398,920)
Pension -NCGI Premium				178,364	(178,364)
Post Retirement Medical Benefit Contribution				4,259,494	(4,259,494)
Long Term Disability Insurance				6,895	(6,895)
Reimbursed Social Security Contribution	-	-	-	3,268,309	(3,268,309)
Total On-Behalf Contributions	-	-	-	22,111,982	(22,111,982)
Total Undistributed Expenditures	\$ 64,605,373	\$ (1,414,748)	\$ 63,190,625	84,224,080	(21,033,455)
Interest Earned on Maintenance Reserve	1,500	-	1,500	-	1,500
Total Expenditures - Current Expenditures	109,791,515	791,390	110,582,905	129,943,935	(19,361,030)
CAPITAL OUTLAY					
Equipment					
Undistributed					
Instructional Equipment	-	166,171	166,171		166,171
Custodial Services		30,269	30,269	30,269	-
Non-Instructional Equipment	-	1,204,940	1,204,940	369,458	835,482
Total Equipment	-	1,401,380	1,401,380	399,727	1,001,653
Facilities Acquisition and Construction Services					
Architectural / Engineering Services	200,000	(200,000)	-	-	-
Construction Services		881,985	881,985	313,271	568,714
Land and Improvements		-	-	-	-
Lease Purchase Agreements - Principal	3,461,822	392,580	3,854,402	3,854,402	-
Other Objects		-	-	-	-
Assessment for Debt Service on SDA Funding	22,935	-	22,935	22,935	-
Total Facilities Acquisition and Construction Services	3,684,757	1,074,565	4,759,322	4,190,608	568,714
Interest Deposit to Capital Reserve	5,000	-	5,000	-	5,000
Assets Acquired under Leases (Non-Budget)					
Acquisition of Equipment	-	-	-	802,863	(802,863)
Leased Buildings	-	-	-	1,344,265	(1,344,265)
Total Assets Acquired under Leases	-	-	-	2,147,128	(2,147,128)
Total Capital Outlay	3,689,757	2,475,945	6,165,702	6,737,463	(571,761)
SUMMER SCHOOL - INSTRUCTION					
Salaries of Teachers	235,000	(50,748)	184,252	184,252	-
General Supplies	10,000	(4,535)	5,465	5,465	-
Total Summer School - Instruction	245,000	(55,283)	189,717	189,717	-
Transfer of Funds to Charter Schools	2,000,000	(203,916)	1,796,084	1,796,084	-
Total Expenditures	115,726,272	3,008,136	118,734,408	138,667,199	(19,932,791)
Excess (Deficiency) of Revenues Over (Under) Expenditures	634,344	(3,008,136)	(2,373,792)	777,809	3,151,601

BELLEVILLE PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
Other Financing Sources/(Uses)					
Leases Issued				2,147,128	2,147,128
Insurance Recoveries				73,773	73,773
Transfer In - Capital Projects Fund				33,277	33,277
Transfers Out - Special Revenue Fund	\$ (734,344)	\$ -	\$ (734,344)	(734,344)	-
Transfers Out - Food Service Enterprise Fund	(400,000)	353,289	(46,711)	(46,711)	-
Total Other Financing Sources/(Uses)	(1,134,344)	353,289	(781,055)	1,473,123	2,254,178
Net Change in Fund Balance	(500,000)	(2,654,847)	(3,154,847)	2,250,932	5,405,779
Fund Balances, Beginning of Year	9,963,139	-	9,963,139	9,963,139	-
Fund Balances, End of Year	\$ 9,463,139	\$ (2,654,847)	\$ 6,808,292	\$ 12,214,071	\$ 5,405,779
Recapitulation					
Restricted					
Capital Reserve - Designated for Subsequent Year's Expenditures				\$ 4,500,000	
Maintenance Reserve				1,417,481	
Unemployment Compensation Reserve				169,062	
Committed					
Year End Encumbrances				2,618,880	
Assigned					
Year End Encumbrances				964,149	
Designated for Subsequent Year's Expenditures				8,671	
Insurance Recovery Expenditures				63,060	
Unassigned				<u>2,472,768</u>	
Fund Balance Per State Budgetary Basis of Accounting				12,214,071	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Revenue Not Recognized on GAAP Basis				<u>(7,887,093)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 4,326,978</u>	

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 8,946,127	\$ 1,547,633	\$ 10,493,760	\$ 9,435,661	\$ (1,058,099)
Federal	3,050,222	1,981,989	5,032,211	3,734,995	(1,297,216)
Other Sources	100,000	466,673	566,673	404,728	(161,945)
Total Revenues	12,096,349	3,996,295	16,092,644	13,575,384	(2,517,260)
EXPENDITURES					
Salaries of Teachers	3,467,140	(1,063,906)	2,403,234	2,339,606	63,628
Other Salaries for Instruction	850,000	(194,439)	655,561	655,561	-
Purchased Professional / Technical Services	221,445	128,733	350,178	118,453	231,725
Purchased Professional / Educational Services	300,000	103,237	403,237	403,237	-
Other Purchased Services	1,513,755	137,358	1,651,113	1,582,184	68,929
General Supplies	603,830	888,192	1,492,022	1,054,698	437,324
Textbooks	7,854	(2,689)	5,165	5,165	-
Co-Curricular / Extra-Curricular Activities	-	262,524	262,524	262,524	-
Total Instruction	6,964,024	259,010	7,223,034	6,421,428	801,606
Support Services					
Salaries of Supervisors of Instruction	126,530	(125,692)	838	838	-
Salaries of Program Directors	308,830	136,735	445,565	445,565	-
Salaries of Other Professional Staff	238,725	69,023	307,748	307,748	-
Salaries of Secretarial and Clerical Assistants	86,465	(7,581)	78,884	78,884	-
Other Salaries	504,258	130,740	634,998	560,345	74,653
Salaries of Community Parent Involvement Specialist	90,989	(84,489)	6,500	6,500	-
Salaries of Master Teachers	175,863	6,050	181,913	181,913	-
Personnel Services - Employee Benefits	-	618,631	618,631	602,469	16,162
Professional Technical Services	13,328	268,471	281,799	160,092	121,707
Other Purchased Professional Educational Services	20,000	(10,465)	9,535	7,535	2,000
Purchased Ed. Services - Contracted Pre-K	2,171,745	-	2,171,745	2,171,745	-
Purchased Education Services -Ed Services Head Start	148,725	(1,802)	146,923	146,923	-
Cleaning, Repair and Maintenance Services	-	73,893	73,893	6,347	67,546
Rentals	1,956,816	267,285	2,224,101	2,166,057	58,044
Other Purchased Property Services	-	6,664	6,664	6,664	-
Other Purchased Services	-	241,370	241,370	208,020	33,350
Supplies and Materials	24,395	628,945	653,340	402,540	250,800
Other Objects	-	27,453	27,453	26,550	903
Other Federal Expenditures - Program Administration	-	40,000	40,000	40,000	-
Total Support Services	5,866,669	2,285,231	8,151,900	7,526,735	625,165
Capital Outlay					
Construction Services	-	76,964	76,964	76,964	-
Instructional Equipment	-	89,027	89,027	89,027	-
Non - Instructional Equipment	-	1,286,063	1,286,063	175,983	1,110,080
Total Capital Outlay	-	1,452,054	1,452,054	341,974	1,110,080
Total Expenditures	12,830,693	3,996,295	16,826,988	14,290,137	2,536,851

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<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	\$ (734,344)	\$ -	\$ (734,344)	\$ (714,753)	\$ 19,591
Other Financing Sources					
Transfers In- General Fund	<u>734,344</u>	<u>-</u>	<u>734,344</u>	<u>734,344</u>	<u>-</u>
Net Changes in Fund Balances	-	-	-	19,591	19,591
Fund Balance, Beginning of Year	<u>174,254</u>	<u>-</u>	<u>174,254</u>	<u>174,254</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 174,254</u>	<u>\$ -</u>	<u>\$ 174,254</u>	\$ 193,845	<u>19,591</u>
Reconciliation to Governmental Fund Statements (GAAP)					
Less: State Aid Not Recognized on GAAP Basis				<u>(876,788)</u>	
Fund Balance (Deficit) per Governmental Funds (GAAP)				<u>\$ (682,943)</u>	
Recapitulation of Fund Balances					
Restricted Fund Balance					
Student Activities				\$ 193,845	
Unassigned				<u>(876,788)</u>	
				<u>\$ (682,943)</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BELLEVILLE PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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	\$ 139,445,008	\$ 13,575,384
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.(2024-2025)	(7,887,093)	(876,788)
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2023-2024)	6,313,463	634,709
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2025		(648,545)
Encumbrances , June 30, 2024 net of cancellations	<u>-</u>	<u>1,544,359</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 137,871,378</u>	<u>\$ 14,229,119</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 138,667,199	\$ 14,290,137
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, 2025		(648,545)
Encumbrances , June 30, 2024 net of cancellations	<u>-</u>	<u>1,544,359</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 138,667,199</u>	<u>\$ 15,185,951</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Ten Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Position Liability (Asset)	0.09327%	0.08603%	0.07182%	0.07219%	0.07078%	0.06806%	0.07187%	0.07397%	.07154%	.08363%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 12,673,361	\$ 12,460,567	\$ 10,837,900	\$ 8,551,535	\$ 11,542,687	\$ 12,262,929	\$ 14,151,512	\$ 17,219,108	\$ 21,188,458	\$ 18,772,248
District's Covered Payroll	\$ 7,882,598	\$ 7,005,194	\$ 6,085,537	\$ 5,331,466	\$ 5,233,105	\$ 4,897,993	\$ 4,764,655	\$ 4,860,151	\$ 5,027,264	\$ 4,680,094
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	160.78%	177.88%	178.09%	160.40%	220.57%	250.37%	297.01%	354.29%	421.47%	401.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

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

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

Public Employees Retirement System

Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 1,269,137	\$ 1,149,784	\$ 905,624	\$ 845,384	\$ 774,320	\$ 662,003	\$ 714,908	\$ 685,256	\$ 635,562	\$ 718,955
Contributions in Relation to the Contractually Required Contribution	<u>1,269,137</u>	<u>1,149,784</u>	<u>905,624</u>	<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>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 8,546,377	\$ 7,882,598	\$ 7,005,194	\$ 6,085,537	\$ 5,331,466	\$ 5,233,105	\$ 4,897,993	\$ 4,764,655	\$ 4,860,151	\$ 5,027,264
Contributions as a Percentage of Covered Payroll	14.85%	14.59%	12.93%	13.89%	14.52%	12.65%	14.60%	14.38%	13.08%	14.30%

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

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Position Liability (Asset)	0%	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>158,884,688</u>	<u>159,553,594</u>	<u>158,112,429</u>	<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>
Total	<u>\$ 158,884,688</u>	<u>\$ 159,553,594</u>	<u>\$ 158,112,429</u>	<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>
District's Covered Payroll	43,827,749	40,740,833	37,679,686	35,771,926	33,974,406	31,804,124	30,352,173	29,711,584	28,765,071	28,475,277
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%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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

**BELLEVILLE PUBLIC 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, 2025**

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

Postemployment Health Benefit Plan

Last Eight Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Cost	\$ 6,330,478	\$ 5,983,175	\$ 7,596,819	\$ 8,677,373	\$ 4,567,778	\$ 4,266,489	\$ 4,792,430	\$ 5,707,408
Interest on Total OPEB Liability	5,632,196	5,279,741	3,779,457	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	577,917	(287,153)	5,307,536	(28,363,284)	34,539,845	(20,720,186)	(14,658,853)	
Changes of Assumptions	12,800,532	302,162	(38,257,780)	165,560	34,062,794	1,676,103	(14,410,849)	(19,512,888)
Gross Benefit Payments	(4,301,400)	(4,115,644)	(3,743,664)	(3,429,131)	(3,246,397)	(3,450,776)	(3,357,945)	(3,138,421)
Contribution from the Member	<u>147,284</u>	<u>135,301</u>	<u>120,099</u>	<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	21,187,007	7,297,582	(25,197,533)	(18,663,571)	74,062,165	(13,165,227)	(22,117,565)	(12,131,626)
Total OPEB Liability - Beginning	<u>149,912,680</u>	<u>142,615,098</u>	<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>	<u>159,828,455</u>
Total OPEB Liability - Ending	<u>\$ 171,099,687</u>	<u>\$ 149,912,680</u>	<u>\$ 142,615,098</u>	<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>171,099,687</u>	<u>149,912,680</u>	<u>142,615,098</u>	<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>\$ 171,099,687</u>	<u>\$ 149,912,680</u>	<u>\$ 142,615,098</u>	<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>\$ 56,710,347</u>	<u>\$ 47,746,027</u>	<u>\$ 43,765,223</u>	<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%	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 PUBLIC 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, 2025**

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 PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Title I</u>	<u>Title I, SIA</u>	<u>Title II A</u>	<u>Title III</u>	<u>Title III Immigrant</u>	<u>Title IV</u>	<u>(Exhibit) E-1a)</u>	<u>(Exhibit) E-1b)</u>	<u>(Exhibit) E-1c)</u>	<u>Total</u>
REVENUES										
Intergovernmental										
State							\$ 164,548	\$ 9,083,433	\$ 187,680	\$ 9,435,661
Federal	\$ 1,793,482	\$ 12,098	\$ 193,403	\$ 90,031	\$ 2,759	\$ 73,902	1,569,320	-	-	3,734,995
Other Sources	-	-	-	-	-	-	-	-	404,728	404,728
Total Revenues	<u>\$ 1,793,482</u>	<u>\$ 12,098</u>	<u>\$ 193,403</u>	<u>\$ 90,031</u>	<u>\$ 2,759</u>	<u>\$ 73,902</u>	<u>\$ 1,733,868</u>	<u>\$ 9,083,433</u>	<u>\$ 592,408</u>	<u>13,575,384</u>
EXPENDITURES										
Salaries of Teachers	\$ 259,673			\$ 11,201			\$ 19,998	\$ 2,048,734	\$ -	2,339,606
Other Salaries for Instruction							-	655,561	-	655,561
Purchased Professional / Technical Services	1,000						22,629	94,824	-	118,453
Purchased Professional / Educational Services							-	403,237	-	403,237
Other Purchased Services	82,615			48,000		\$ 29,032	1,417,086	2,356	3,095	1,582,184
General Supplies	820,860	\$ 12,098		28,889	\$ 1,914	18,631	50,487	105,258	16,561	1,054,698
Textbooks							-	5,165	-	5,165
Co-Curricular / Extra-Curricular Activities	-	-	-	-	-	-	-	-	262,524	262,524
Total Instruction	<u>1,164,148</u>	<u>12,098</u>	<u>-</u>	<u>88,090</u>	<u>1,914</u>	<u>47,663</u>	<u>1,510,200</u>	<u>3,315,135</u>	<u>282,180</u>	<u>6,421,428</u>
Support Services										
Salaries of Supervisors of Instruction							-	838	-	838
Salaries of Program Directors							-	445,565	-	445,565
Salaries of Other Professional Staff							-	307,748	-	307,748
Salaries of Secretarial and Clerical Assistants							-	78,884	-	78,884
Other Salaries	83,525		\$ 46,541		570		3,078	415,888	10,743	560,345
Salaries of Community Parent Involvement Specialist							-	6,500	-	6,500
Salaries of Master Teachers							-	181,913	-	181,913
Personnel Services - Employee Benefits	21,036		2,867	857			2,080	575,629	-	602,469
Professional Technical Services	40,000		44,329			1,275	65,133	9,355	-	160,092
Other Purchased Professional Educational Services							-	7,535	-	7,535
Purchased Ed. Services - Contracted Pre-K							-	2,171,745	-	2,171,745
Purchased Education Services -Ed Services Head Start							-	146,923	-	146,923
Cleaning, Repair and Maintenance Services							-	6,347	-	6,347
Rentals	205,956						-	1,960,101	-	2,166,057
Other Purchased Property Services							-	-	6,664	6,664
Other Purchased Services	51,648		71,655				600	75,792	8,325	208,020
Supplies and Materials	187,169		28,011	1,084	275	1,569	-	46,247	138,185	402,540
Other Objects							26,550	-	-	26,550
Other Federal Expenditures - Program Administration	40,000	-	-	-	-	-	-	-	-	40,000
Total Support Services	<u>629,334</u>	<u>-</u>	<u>193,403</u>	<u>1,941</u>	<u>845</u>	<u>2,844</u>	<u>97,441</u>	<u>6,437,010</u>	<u>163,917</u>	<u>7,526,735</u>
Capital Outlay										
Construction Services							76,964	-	-	76,964
Instructional Equipment						23,395	-	65,632	-	89,027
Non - Instructional Equipment	-	-	-	-	-	-	49,263	-	126,720	175,983
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,395</u>	<u>126,227</u>	<u>65,632</u>	<u>126,720</u>	<u>341,974</u>
Total Expenditures	<u>\$ 1,793,482</u>	<u>\$ 12,098</u>	<u>\$ 193,403</u>	<u>\$ 90,031</u>	<u>\$ 2,759</u>	<u>\$ 73,902</u>	<u>\$ 1,733,868</u>	<u>\$ 9,817,777</u>	<u>\$ 572,817</u>	<u>\$ 14,290,137</u>
Excess (Deficiency) of Revenues and Other										
Financing Sources Over/(Under) Expenditures)	-	-	-	-	-	-	-	(734,344)	19,591	(714,753)
Other Financing Sources										
Transfers In- General Fund	-	-	-	-	-	-	-	734,344	-	734,344
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	19,591	19,591
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	174,254	174,254
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,845</u>	<u>193,845</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Perkins</u>	<u>ARP Homeless Children & Youth</u>	<u>ARP NJTSS Mental Health Support</u>	<u>NJ High Impact Tutoring Grant</u>	<u>IDEA Basic</u>	<u>IDEA Preschool</u>	<u>Computer Science Grant</u>	<u>NJ Amistad Commission Exemplary Grant</u>	<u>Equipment Modernization Grant</u>	<u>Total Exhibit E-1a</u>
REVENUES										
Intergovernmental										
State							\$ 39,798	\$ 2,500	\$ 122,250	\$ 164,548
Federal	\$ 41,115	\$ 3,628	\$ 44,820	\$ 52,358	\$ 1,394,999	\$ 32,400	-	-	-	1,569,320
Other Sources	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 41,115	\$ 3,628	\$ 44,820	\$ 52,358	\$ 1,394,999	\$ 32,400	\$ 39,798	\$ 2,500	\$ 122,250	\$ 1,733,868
EXPENDITURES										
Salaries of Teachers	\$ 17,946						\$ 2,052			\$ 19,998
Other Salaries for Instruction										-
Purchased Professional / Technical Services				\$ 22,629						22,629
Purchased Professional / Educational Services										-
Other Purchased Services					\$ 1,384,686	\$ 32,400				1,417,086
General Supplies	9,719			29,729			11,039			50,487
Textbooks										-
Co-Curricular / Extra-Curricular Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	27,665	-	-	52,358	1,384,686	32,400	13,091	-	-	1,510,200
Support Services										
Salaries of Supervisors of Instruction										-
Salaries of Program Directors										-
Salaries of Other Professional Staff										-
Salaries of Secretarial and Clerical Assistants										-
Other Salaries		3,078								3,078
Salaries of Community Parent Involvement Specialist										-
Salaries of Master Teachers							157			-
Personnel Services - Employee Benefits	1,373	550								2,080
Professional Technical Services	7,500		44,820		10,313			2,500		65,133
Other Purchased Professional Educational Services									-	-
Purchased Ed. Services - Contracted Pre-K									-	-
Purchased Education Services -Ed Services Head Start									-	-
Cleaning, Repair and Maintenance Services									-	-
Rentals									-	-
Other Purchased Property Services									-	-
Other Purchased Services	600									600
Supplies and Materials										-
Other Objects							26,550			26,550
Other Federal Expenditures - Program Administration	-	-	-	-	-	-	-	-	-	-
Total Support Services	9,473	3,628	44,820	-	10,313	-	26,707	2,500	-	97,441
Capital Outlay										
Construction Services	-	-	-	-	-	-	-	-	76,964	76,964
Instructional Equipment										
Non - Instructional Equipment	3,977	-	-	-	-	-	-	-	45,286	49,263
Total Capital Outlay	3,977	-	-	-	-	-	-	-	122,250	126,227
Total Expenditures	41,115	3,628	44,820	52,358	1,394,999	32,400	39,798	2,500	122,250	1,733,868
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 PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Preschool Education Aid <u>Act</u>	Nonpublic Compensatory <u>Education</u>	Nonpublic Nonpublic <u>ESL</u>	Nonpublic Examination & Classification	Nonpublic Corrective Speech	Nonpublic Supplemental Instruction	Nonpublic Nursing	Nonpublic Textbook	Nonpublic Technology	Total Exhibit E-1b
REVENUES										
Intergovernmental										
State	\$ 8,969,140	\$ 71,953	\$ 4,061	\$ 7,965	\$ 4,650	\$ 6,195	\$ 9,355	\$ 5,165	\$ 4,949	\$ 9,083,433
Federal	-	-	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 8,969,140</u>	<u>\$ 71,953</u>	<u>\$ 4,061</u>	<u>\$ 7,965</u>	<u>\$ 4,650</u>	<u>\$ 6,195</u>	<u>\$ 9,355</u>	<u>\$ 5,165</u>	<u>\$ 4,949</u>	<u>\$ 9,083,433</u>
EXPENDITURES										
Instruction										
Salaries of Teachers	\$ 2,048,734									2,048,734
Other Salaries for Instruction	655,561									655,561
Purchased Professional / Technical Services		\$ 71,953	4,061	7,965	4,650	6,195				94,824
Purchased Professional / Educational Services	403,237									403,237
Other Purchased Services	2,356									2,356
General Supplies	100,309								\$ 4,949	105,258
Textbooks								5,165		5,165
Co-Curricular / Extra-Curricular Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	<u>3,210,197</u>	<u>71,953</u>	<u>4,061</u>	<u>7,965</u>	<u>4,650</u>	<u>6,195</u>	<u>-</u>	<u>5,165</u>	<u>4,949</u>	<u>3,315,135</u>
Support Services										
Salaries of Supervisors of Instruction	838									838
Salaries of Program Directors	445,565									445,565
Salaries of Other Professional Staff	307,748									307,748
Salaries of Secretarial and Clerical Assistants	78,884									78,884
Other Salaries	415,888									415,888
Salaries of Community Parent Involvement Specialist	6,500									6,500
Salaries of Master Teachers	181,913									181,913
Personnel Services - Employee Benefits	575,629									575,629
Professional Technical Services							\$ 9,355			9,355
Other Purchased Professional Educational Services	7,535									7,535
Purchased Ed. Services - Contracted Pre-K	2,171,745									2,171,745
Purchased Education Services -Ed Services Head Start	146,923									146,923
Cleaning, Repair and Maintenance Services	6,347									6,347
Rentals	1,960,101									1,960,101
Other Purchased Property Services										-
Other Purchased Services	75,792									75,792
Supplies and Materials	46,247									46,247
Other Objects										-
Other Federal Expenditures - Program Administration	-	-	-	-	-	-	-	-	-	-
Total Support Services	<u>6,427,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,355</u>	<u>-</u>	<u>-</u>	<u>6,437,010</u>
Capital Outlay										
Construction Services										-
Instructional Equipment	65,632	-	-	-	-	-	-	-	-	65,632
Non - Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	<u>65,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,632</u>
Total Expenditures	<u>\$ 9,703,484</u>	<u>\$ 71,953</u>	<u>\$ 4,061</u>	<u>\$ 7,965</u>	<u>\$ 4,650</u>	<u>\$ 6,195</u>	<u>\$ 9,355</u>	<u>\$ 5,165</u>	<u>\$ 4,949</u>	<u>\$ 9,817,777</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	(734,344)	-	-	-	-	-	-	-	-	(734,344)
Other Financing Sources Transfers In- General Fund	<u>734,344</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>734,344</u>
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Nonpublic Security</u>	<u>SDA Emergent & Capital Maint. Needs</u>	<u>Municipal Alliance</u>	<u>NJ SIG</u>	<u>Fostering Diverse Schools Grant</u>	<u>It Pays to Plug Grant</u>	<u>Trees for School Grant</u>	<u>Other Local Grants</u>	<u>Student Activities</u>	<u>Total Exhibit E-1c</u>
REVENUES										
Intergovernmental										
State	\$ 20,555	\$ 114,275				\$ 52,850				\$ 187,680
Federal										-
Other Sources	-	-	\$ 3,095	\$ 12,445	\$ 10,743	-	\$ 70,899	\$ 25,431	\$ 282,115	404,728
Total Revenues	\$ 20,555	\$ 114,275	\$ 3,095	\$ 12,445	\$ 10,743	\$ 52,850	\$ 70,899	\$ 25,431	\$ 282,115	\$ 592,408
EXPENDITURES										
Instruction										
Salaries of Teachers										-
Other Salaries for Instruction										-
Purchased Professional / Technical Services										-
Purchased Professional / Educational Services										-
Other Purchased Services			3,095							3,095
General Supplies								\$ 16,561		16,561
Textbooks										-
Co-Curricular / Extra-Curricular Activities	-	-	-	-	-	-	-	-	\$ 262,524	262,524
Total Instruction	-	-	3,095	-	-	-	-	16,561	262,524	282,180
Support Services										
Salaries of Supervisors of Instruction										-
Salaries of Program Directors										-
Salaries of Other Professional Staff										-
Salaries of Secretarial and Clerical Assistants										-
Other Salaries					10,743					10,743
Salaries of Community Parent Involvement Specialist										-
Salaries of Master Teachers										-
Personnel Services - Employee Benefits										-
Professional Technical Services										-
Other Purchased Professional Educational Services										-
Purchased Ed. Services - Contracted Pre-K										-
Purchased Education Services -Ed Services Head Start										-
Rentals										-
Other Purchased Property Services							6,664			6,664
Other Purchased Services								8,325		8,325
Supplies and Materials	20,555					52,850	64,235	545		138,185
Other Objects										-
Other Federal Expenditures - Program Administration	-	-	-	-	-	-	-	-	-	-
Total Support Services	20,555	-	-	-	10,743	52,850	70,899	8,870	-	163,917
Capital Outlay										
Construction Services										-
Instructional Equipment		-	-	-	-	-	-	-	-	-
Non - Instructional Equipment	-	114,275	-	12,445	-	-	-	-	-	126,720
Total Capital Outlay	-	114,275	-	12,445	-	-	-	-	-	126,720
Total Expenditures	20,555	114,275	3,095	12,445	10,743	52,850	70,899	25,431	262,524	572,817
Excess (Deficiency) of Revenues and Other										
Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	19,591	19,591
Other Financing Sources										
Transfers In- General Fund	-	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	19,591	19,591
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	174,254	174,254
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 193,845	\$ 193,845

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
PRESCHOOL - ALL PROGRAMS
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	\$ 2,389,283	\$ (340,549)	\$ 2,048,734	\$ 2,048,734	\$ -
Other Salaries for Instruction	850,000	(194,439)	655,561	655,561	-
Purchased Professional - Educational Services		403,237	403,237	403,237	-
Other Purchased Services	-	2,356	2,356	2,356	-
General Supplies	447,006	(272,294)	174,712	100,309	74,403
Total Instruction	3,686,289	(401,689)	3,284,600	3,210,197	74,403
Support Services					
Salaries of Supervisors of Instruction	126,530	(125,692)	838	838	-
Salaries of Program Directors	308,830	136,735	445,565	445,565	-
Salaries of Other Professional Staff	238,725	69,023	307,748	307,748	-
Salaries of Secretarial and Clerical Assistants	86,465	(7,581)	78,884	78,884	-
Other Salaries	504,258	(88,370)	415,888	415,888	-
Salaries of Community Parent Involvement Specialists	90,989	(84,489)	6,500	6,500	-
Salaries of Master Teachers	175,863	6,050	181,913	181,913	-
Personnel Services - Employee Benefits		575,629	575,629	575,629	-
Purchased Ed. Services - Contracted Pre-K	2,171,745	-	2,171,745	2,171,745	-
Purchased Ed. Services - Head Start	148,725	(1,802)	146,923	146,923	-
Other Purchased Professional -Ed Services	20,000	(12,465)	7,535	7,535	-
Cleaning, Repair and Maintenance Services		6,347	6,347	6,347	-
Rentals	1,956,816	3,285	1,960,101	1,960,101	-
Miscellaneous Purchased Services		75,792	75,792	75,792	-
Supplies and Materials	-	46,247	46,247	46,247	-
Total Support Services	5,828,946	598,709	6,427,655	6,427,655	-
Capital Outlay					
Instructional Equipment	-	65,632	65,632	65,632	-
Total Facilities Acquisition and Construction Service	-	65,632	65,632	65,632	-
Total Expenditures	\$ 9,515,235	\$ 262,652	\$ 9,777,887	\$ 9,703,484	\$ 74,403

Calculation of Budget Carryover

Total revised 2024-2025 Preschool Education Aid Allocation	\$ 8,780,891
Budgeted Transfer From General Fund	734,344
Add: Actual Preschool Education Aid Carryover (June 30, 2024)	189,550
Total Preschool Ed. Aid Funds Available for 2024-2025 Budget	9,704,785
Less: 2024-2025 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	9,777,887
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2025	(73,102)
Add: June 30, 2025 Unexpended Preschool Education Aid	74,403
2024-2025 C/O - Preschool Education Aid Programs	\$ 1,301
2024-25 Preschool Education Aid C/O Budgeted in 2025/2026	\$ -

CAPITAL PROJECTS FUND

**BELLEVILLE PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Issue/ Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>	<u>Transfer to</u>	<u>Unexpended</u>
		<u>Prior Years</u> <u>Current Year</u>	<u>General</u> <u>Fund</u>	<u>Balance</u> <u>June 30, 2025</u>
2017 Referendum - District Wide Facilities Renovations, Upgrades and Improvements	\$ 48,536,601	\$ 48,531,666 \$ -	-	\$ 4,935
Shared Service Agreement with the Township for a Joint Municipal and School Project (Acquisition of Property - Eastern International College)	12,500,000	5,448,280 -	-	7,051,720
	<u>\$ 61,036,601</u>	<u>\$ 53,979,946</u> <u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,056,655</u>
<u>Reconciliation to GAAP Basis</u>				
Project Balance, June 30, 2025				\$ 7,056,655
Less: Bonds Authorized But Not Issued				(601)
Fund Balance, June 30, 2025 - GAAP Basis				<u>\$ 7,056,054</u>
<u>Reconciliation to Fund Balance</u>				
Available for Capital Projects				<u>7,056,054</u>
Total Fund Balance - Restricted for Capital Projects				<u>\$ 7,056,054</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Revenues and Other Financing Sources

Revenues

Interest and Dividends on Investments	\$	33,277
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Total Revenues and Other Financing Sources		33,277
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Expenditures and Other Financing Uses

Other Financing Uses

Transfers Out - General Fund		33,277
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Total Expenditures and Other Financing Uses		33,277
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Excess (Deficiency) of Revenues and Other Financing Sources

Over (Under) Expenditures and Other Financing Uses		-
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Fund Balance- Beginning		7,056,054
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Fund Balance- Ending	\$	7,056,054
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Reconciliation to GAAP

Fund Balance, End of Year - Budgetary Basis	\$	7,056,054
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Fund Balance, June 30, 2025- GAAP	\$	7,056,054
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BELLEVILLE PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
2017 REFERENDUM - DISTRICT WIDE FACILITIES, RENOVATIONS, UPGRADES, AND IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<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	48,536,000	-	48,536,000	48,536,601
Expenditures and Other Financing Uses				
Expenditures				
Salaries	7,799		7,799	8,000
Legal Services	83,592		83,592	83,592
Architectural/Engineering Services	2,151,172	\$ -	2,151,172	2,160,000
Other Purchased Professional and Technical Services	1,748,359	-	1,748,359	1,760,000
Supplies and Materials	102,048	-	102,048	105,000
Construction Services	44,408,164	-	44,408,164	44,390,009
Other Objects	30,532	-	30,532	30,000
Total Expenditures and Other Financing Uses	48,531,666	-	48,531,666	48,536,601
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 4,334	\$ -	\$ 4,334	\$ -

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	-
Revised Authorized Cost	48,536,601

Percentage Increase Over Original Authorized Cost	-
Percentage Completion	100.00%
Original Target Completion Date	August 30, 2020
Revised Target Completion Date	August 30, 2021

**BELLEVILLE PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
SHARED SERVICE AGREEMENT WITH THE TOWNSHIP FOR A JOINT MUNICIPAL AND SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Capital Financing Agreement Proceeds	\$ 11,900,000	\$ -	\$ 11,900,000	\$ 11,900,000
Transfer from Capital Reserve	<u>600,000</u>	<u>-</u>	<u>600,000</u>	<u>600,000</u>
 Total Revenues and Other Financing Sources	 <u>12,500,000</u>	 <u>-</u>	 <u>12,500,000</u>	 <u>12,500,000</u>
Expenditures and Other Financing Uses				
Expenditures				
Architectural/Engineering Services	424,112		424,112	500,000
Construction Services	-	-	-	6,975,832
Buildings	4,774,168	-	4,774,168	4,774,168
Transfer to General Fund - Return of Property Acquisition Deposit	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
 Total Expenditures and Other Financing Uses	 <u>5,448,280</u>	 <u>-</u>	 <u>5,448,280</u>	 <u>12,500,000</u>
 Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	 <u>\$ 7,051,720</u>	 <u>\$ -</u>	 <u>\$ 7,051,720</u>	 <u>\$ -</u>

PROPRIETARY FUNDS

**BELLEVILLE PUBLIC SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**

NOT APPLICABLE

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

NOT APPLICABLE

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

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**BELLEVILLE PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2024</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance, June 30, 2025</u>
			<u>Date</u>	<u>Amount</u>					
2018 School Bonds	3/22/2018	\$ 48,536,000	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%	\$ 40,290,000	\$ -	1,540,000	\$ 38,750,000
						<u>\$ 40,290,000</u>	<u>\$ -</u>	<u>\$ 1,540,000</u>	<u>\$ 38,750,000</u>

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCE AGREEMENT, OTHER FINANCING AGREEMENTS AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
<u>CAPITAL FINANCING AGREEMENTS</u>						
Turf Field at Clearman School, Fire Doors and Acquisition of Acoustic Equipment at Belleville High School Auditorium	3,226,000	5.00%	\$ 704,000		\$ 704,000	\$ -
2020 Various Buses	121,821	2.10%	24,907		24,907	-
2 54 Passenger Buses	226,342	2.10%	46,279		46,279	-
2 54 Passenger Buses	242,636	4.25%	144,111		46,053	98,058
2 2025 24 Passenger Buses	213,228	5.62%	166,586		38,298	128,288
Acquisition of Property - Eastern Int'l College (Shared Service Agreement)	11,900,000	5.00%	10,710,000	-	1,190,000	9,520,000
Acquisition of Classroom Equipment	138,430	4.00%	73,090		17,212	55,878
2025 Bus Acquisition	146,678	5.62%	114,577		26,340	88,237
Technology Upgrades and Equipment (New and Refunding Issue)	5,600,038	7.10%	<u>5,500,038</u>	<u>-</u>	<u>1,107,764</u>	<u>4,392,274</u>
			<u>\$ 17,483,588</u>	<u>\$ -</u>	<u>\$ 3,200,853</u>	<u>\$ 14,282,735</u>
<u>OTHER FINANCING AGREEMENTS</u>						
Classroom Supplies	1,661,570	4.00%	<u>\$ 877,298</u>	<u>\$ -</u>	<u>\$ 206,595</u>	<u>\$ 670,703</u>

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCE AGREEMENT, OTHER FINANCING AGREEMENTS AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
<u>LEASES PAYABLE</u>						
34 Ralph (5 Pre-K Classrooms)	1,391,309	3.00%	\$ 173,263		\$ 173,263	\$ -
BOE Administrative Office & Maintenance Garage (54 Ralph)	1,208,432	2.50%	414,401		273,232	141,169
54 Ralph (Pre-K Classrooms)	2,515,391	2.50%	918,215		605,499	312,716
Office Suite (387 Union Avenue)	140,866	2.50%	44,122		29,230	14,892
Cannon Copiers	754,187	2.50%	281,518		159,360	122,158
Office Suite - Lower Level (335 Union Avenue)	166,222	2.50%	68,989		34,064	34,925
Cannon Copier	63,246	2.50%	27,331		14,097	13,234
Pre-K Lease Amendment	3,567,060	3.00%	1,912,986		729,474	1,183,512
Cannon Copier	26,605	2.50%	12,829		5,407	7,422
Athletic Indoor Training Facility	2,329,984	3.50%	1,346,614		482,086	864,528
Cannon Copier	14,514	5.08%	12,551		2,717	9,834
522 Cortlandt (Office Space)	908,359	5.08%	695,109	-	171,691	523,418
34 Ralph (5 Pre-K Classrooms)	1,344,265	4.09%	-	1,344,265	96,091	1,248,174
BHS Mail Machine	10,503	4.09%	-	10,503	184	10,319
BOE Mail Machine	20,618	4.09%	-	20,618	1,896	18,722
Cannon Copiers at BOE	771,742	4.09%	-	771,742	-	771,742
 Total Leases Payable			 \$ 5,907,928	 \$ 2,147,128	 \$ 2,778,291	 \$ 5,276,765

**BELLEVILLE PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<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 Taxes	\$ 1,793,555	-	\$ 1,793,555	\$ 1,793,555	-
State Sources					
Debt Service Aid	<u>1,179,395</u>	<u>-</u>	<u>1,179,395</u>	<u>1,179,395</u>	<u>-</u>
Total Revenues	<u>2,972,950</u>	<u>-</u>	<u>2,972,950</u>	<u>2,972,950</u>	<u>-</u>
EXPENDITURES:					
Debt Service:					
Principal	1,540,000		1,540,000	1,540,000	
Interest	<u>1,432,950</u>	<u>-</u>	<u>1,432,950</u>	<u>1,432,950</u>	<u>-</u>
Total Expenditures	<u>2,972,950</u>	<u>-</u>	<u>2,972,950</u>	<u>2,972,950</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>

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
PowerSchool - Student Information Software	625,563	2.80%	\$ 184,567		\$ 184,567	\$ -
CDW - Instructional Learning Software	55,363	4.79%	37,765		18,441	19,324
Lightpath - Internet Access Software	91,364	5.08%	62,405		30,429	31,976
McGraw Hill - Instructional Learning Software	302,277	5.08%	238,194		57,788	180,406
Renaissance - Instructional Learning Software	324,097	4.79%	229,783		107,405	122,378
Savas - Instructional Learning Software	1,695,969	5.08%	1,389,531		322,005	1,067,526
Renaissance - Instructional Learning Software eduCLIMBER	91,200	5.08%	68,205	-	31,829	36,376
Nearpod Instructional Learning Software	89,199	4.69%	<u>72,609</u>	<u>-</u>	<u>33,958</u>	<u>38,651</u>
			<u>\$ 2,283,059</u>	<u>\$ -</u>	<u>\$ 786,422</u>	<u>\$ 1,496,637</u>

STATISTICAL SECTION

This part of the Belleville Public School District's annual comprehensive 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 annual comprehensive financial reports for the relevant year.

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

	As of June 30,										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Governmental activities											
Net Investment in Capital Assets	\$ 6,536,372	\$ 7,066,551	\$ 8,129,551	\$ 8,275,755	\$ 10,217,537	\$ 11,974,099	\$ 12,854,536	\$ 14,270,709	\$ 17,872,646	\$ 19,493,240	
Restricted	676,149	1,694,143	2,629,937	3,873,834	4,930,274	6,429,106	5,358,469	6,135,788	6,871,922	6,280,388	
Unrestricted	(22,069,596)	(22,621,063)	(22,860,737)	(23,103,817)	(24,215,243)	(22,096,324)	(17,148,438)	(18,953,420)	(21,293,986)	(19,446,885)	
Total governmental activities net position	<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>\$ 1,064,567</u>	<u>\$ 1,453,077</u>	<u>\$ 3,450,582</u>	<u>\$ 6,326,743</u>	
Business-type activities											
Net Investment in Capital Assets	\$ 144,244	\$ 101,892	\$ 60,758	\$ 42,503	\$ 34,198	\$ 33,190	\$ 380,856	\$ 613,176	\$ 1,996,503	\$ 1,867,027	
Restricted											
Unrestricted	168,548	116,456	159,570	315,324	586,716	1,880,278	1,782,983	1,391,734	(125,861)	(96,076)	
Total business-type activities net position	<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>	<u>\$ 2,004,910</u>	<u>\$ 1,870,642</u>	<u>\$ 1,770,951</u>	
District-wide											
Net Investment in Capital Assets	\$ 6,680,616	\$ 7,168,443	\$ 8,190,309	\$ 8,318,258	\$ 10,251,735	\$ 12,007,289	\$ 13,235,392	\$ 14,883,885	\$ 19,869,149	\$ 21,360,267	
Restricted	676,149	1,694,143	2,629,937	3,873,834	4,930,274	6,429,106	5,358,469	6,135,788	6,871,922	6,280,388	
Unrestricted	(21,901,048)	(22,504,607)	(22,701,167)	(22,788,493)	(23,628,527)	(20,216,046)	(15,365,455)	(17,561,686)	(21,419,847)	(19,542,961)	
Total district net position	<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>\$ 3,228,406</u>	<u>\$ 3,457,987</u>	<u>\$ 5,321,224</u>	<u>\$ 8,097,694</u>	

Note 1 - 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".

Note 3 - Net Position at June 30, 2022 is restated to reflect the implementation of GASB No. 96, "Subscription-Based Information Technology Arrangements".

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

	For the Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 33,204,564	\$ 37,115,854	\$ 38,611,186	\$ 37,635,718	\$ 37,537,094	\$ 46,089,278	\$ 43,790,749	\$ 48,502,415	\$ 50,852,785	\$ 52,541,555
Special Education	14,015,994	15,165,972	16,017,452	15,712,840	14,581,653	13,790,800	13,351,983	13,647,621	15,220,652	17,912,181
Other Education	3,711,081	4,457,171	3,869,094	3,476,881	3,543,388	2,004,370	1,779,315	2,078,822	4,109,493	4,422,584
School Sponsored Activities and Athletics	942,304	1,125,987	1,378,097	1,270,129	1,298,940	1,390,185	1,320,951	1,724,106	2,000,551	2,051,846
Support Services:										
Tuition										
Student & Instruction Related Services	9,317,872	10,249,971	10,418,561	10,190,037	10,575,755	14,567,413	14,295,557	14,524,060	17,101,356	19,817,320
General Administrative Services	2,737,192	2,305,809	2,342,139	2,124,309	2,000,525	2,086,359	2,017,007	2,472,606	2,182,388	2,092,519
School Administrative Services	6,331,181	7,664,156	7,356,090	6,638,604	7,012,283	7,968,182	7,551,053	8,199,466	8,646,316	9,222,660
Central Administrative Services	1,687,127	1,813,496	1,788,962	2,024,229	2,128,628	2,891,109	3,011,439	3,325,420	3,397,289	4,200,987
Plant Operations and Maintenance	6,350,149	6,853,846	7,766,723	7,565,970	8,221,959	9,050,672	12,164,019	15,808,890	18,142,155	18,178,351
Pupil Transportation	3,048,329	2,946,159	3,052,265	3,761,757	4,057,620	3,028,888	4,461,757	5,511,714	6,101,031	6,427,851
Unallocated Depreciation										
Interest on Long Term Debt	108,879	115,860	554,394	1,795,797	1,740,526	1,761,608	1,881,380	2,247,796	2,832,641	2,569,178
Total Governmental Activities Expenses	<u>81,454,672</u>	<u>89,814,281</u>	<u>93,154,963</u>	<u>92,196,271</u>	<u>92,698,371</u>	<u>104,628,864</u>	<u>105,625,210</u>	<u>118,042,916</u>	<u>130,586,657</u>	<u>139,437,032</u>
Business-Type Activities:										
Food Service	2,115,354	2,174,321	1,907,017	2,467,193	2,145,825	2,295,805	3,585,587	3,824,142	4,047,548	4,142,267
Second River Purchasing Cooperative										25,745
Total Business-Type Activities Expense	<u>2,115,354</u>	<u>2,174,321</u>	<u>1,907,017</u>	<u>2,467,193</u>	<u>2,145,825</u>	<u>2,295,805</u>	<u>3,585,587</u>	<u>3,824,142</u>	<u>3,824,142</u>	<u>4,168,012</u>
Total District Expenses	<u>\$ 83,570,026</u>	<u>\$ 91,988,602</u>	<u>\$ 95,061,980</u>	<u>\$ 94,663,464</u>	<u>\$ 94,844,196</u>	<u>\$ 106,924,669</u>	<u>\$ 109,210,797</u>	<u>\$ 121,867,058</u>	<u>\$ 134,410,799</u>	<u>\$ 143,605,044</u>
Program Revenues										
Governmental Activities:										
Charges for Services	230,509	181,435	181,187	141,378	40,644	123,046	326,916	385,565	390,814	569,738
Operating Grants and Contributions	23,332,011	29,122,236	30,712,757	26,571,885	25,298,745	38,404,754	33,895,238	30,891,358	33,102,361	32,022,081
Capital Grants and Contributions	87,646	154,984	107,711	40,348	64,958	247,504	577,598	2,028,602	2,793,971	1,294,343
Total Governmental Activities Program Revenues	<u>23,650,166</u>	<u>29,458,655</u>	<u>31,001,655</u>	<u>26,753,611</u>	<u>25,404,347</u>	<u>38,775,304</u>	<u>34,799,752</u>	<u>33,305,525</u>	<u>36,287,146</u>	<u>33,886,162</u>

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

	For the Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-Type Activities:										
Charges for Services										
Food Service	\$ 666,206	\$ 650,743	\$ 643,355	\$ 735,937	\$ 454,073	\$ -	\$ 148,926	\$ 918,096	\$ 696,391	\$ 734,194
Second River Purchasing Cooperative										\$ 506
Operating Grants and Contributions	1,355,359	1,428,598	1,263,351	1,863,753	1,951,230	3,587,941	3,685,267	2,702,714	3,051,436	3,275,077
Capital Grants and Contributions									86,673	-
Total Business Type Activities Program Revenues	<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>	<u>3,620,810</u>	<u>3,747,827</u>	<u>4,009,777</u>
Total District Program Revenues	<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>	<u>\$ 36,926,335</u>	<u>\$ 40,034,973</u>	<u>\$ 37,895,939</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (57,804,506)	\$ (60,355,626)	\$ (62,153,308)	\$ (65,442,660)	\$ (67,294,024)	\$ (65,853,560)	\$ (70,825,458)	\$ (84,737,391)	\$ (94,299,511)	\$ (105,550,870)
Business-Type Activities	(93,789)	(94,980)	(311)	132,497	259,478	1,292,136	248,606	(203,332)	(76,315)	(158,235)
Total District-Wide Net Expense	<u>\$ (57,898,295)</u>	<u>\$ (60,450,606)</u>	<u>\$ (62,153,619)</u>	<u>\$ (65,310,163)</u>	<u>\$ (67,034,546)</u>	<u>\$ (64,561,424)</u>	<u>\$ (70,576,852)</u>	<u>\$ (84,940,723)</u>	<u>\$ (94,375,826)</u>	<u>\$ (105,709,105)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 37,665,506	\$ 38,667,832	\$ 39,764,229	\$ 40,082,343	\$ 40,954,080	\$ 42,473,162	\$ 43,322,625	\$ 44,429,078	\$ 45,328,975	\$ 48,242,133
Debt Service Levy				1,604,063	1,892,376	1,796,059	1,792,063	1,793,375	1,793,872	1,793,555
Unrestricted Grants and Contributions	22,214,027	22,523,414	23,411,569	22,973,588	25,179,331	25,990,341	29,622,161	37,686,996	47,924,841	57,076,485
Restricted Grants and Contributions				1,385,574	543,491	557,375	575,227	593,079	610,931	610,931
Miscellaneous Income	286,923	161,086	736,630	1,928,687	813,070	739,783	362,044	641,225	716,313	750,638
Transfers									(60,064)	(46,711)
Total Governmental Activities	<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>	<u>85,125,901</u>	<u>96,297,016</u>	<u>108,427,031</u>
Business-Type Activities:										
Investment Earnings	477	536	2,291	5,002	3,609	418	1,765	44,403	18,716	11,833
Transfers									60,064	46,711
Total Business-Type Activities	<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>	<u>44,403</u>	<u>78,780</u>	<u>58,544</u>
Total District-Wide	<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>	<u>\$ 85,170,304</u>	<u>\$ 96,375,796</u>	<u>\$ 108,485,575</u>
Change in Net Position										
Governmental Activities	\$ 2,361,950	\$ 996,706	\$ 1,759,120	\$ 1,146,021	\$ 2,930,407	\$ 5,689,276	\$ 4,830,810	\$ 388,510	\$ 1,997,505	\$ 2,876,161
Business-Type Activities	(93,312)	(94,444)	1,980	137,499	263,087	1,292,554	250,371	(158,929)	2,465	(99,691)
Total District	<u>\$ 2,268,638</u>	<u>\$ 902,262</u>	<u>\$ 1,761,100</u>	<u>\$ 1,283,520</u>	<u>\$ 3,193,494</u>	<u>\$ 6,981,830</u>	<u>\$ 5,081,181</u>	<u>\$ 229,581</u>	<u>\$ 1,999,970</u>	<u>\$ 2,776,470</u>

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

	As of June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	\$ 676,149	\$ 1,579,805	\$ 2,614,685	\$ 3,858,582	\$ 4,741,995	\$ 6,282,364	\$ 5,210,954	\$ 5,957,744	\$ 6,697,668	\$ 6,086,543
Committed				159,300		-	2,499,820	1,311,572		2,618,880
Assigned	966,275	893,042	1,407,696	1,064,075	1,043,033	1,813,137	2,201,458	1,041,422	916,654	1,035,880
Unassigned	<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>	<u>(3,370,686)</u>	<u>(3,964,646)</u>	<u>(5,414,325)</u>
Total General Fund	<u>\$ (220,977)</u>	<u>\$ 627,142</u>	<u>\$ 2,106,900</u>	<u>\$ 2,961,344</u>	<u>\$ 3,349,260</u>	<u>\$ 5,670,466</u>	<u>\$ 7,158,009</u>	<u>\$ 4,940,052</u>	<u>\$ 3,649,676</u>	<u>\$ 4,326,978</u>
All Other Governmental Funds										
Restricted	1,650,496	755,108	47,617,988	34,440,663	19,142,218	3,343,588	208,377	7,510,495	7,230,308	7,249,899
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(87,858)</u>	<u>(216,954)</u>	<u>(486,395)</u>	<u>(693,377)</u>	<u>(634,709)</u>	<u>(876,788)</u>
Total all other governmental funds	<u>\$ 1,650,496</u>	<u>\$ 755,108</u>	<u>\$ 47,617,988</u>	<u>\$ 34,440,663</u>	<u>\$ 19,054,360</u>	<u>\$ 3,126,634</u>	<u>\$ (278,018)</u>	<u>\$ 6,817,118</u>	<u>\$ 6,595,599</u>	<u>\$ 6,373,111</u>

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

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

	2016	2017	2018	2019	For the Fiscal Year Ended June 30,		2022	2023	2024	2025
					2020	2021				
Revenues										
Property Taxes	\$ 37,665,506	\$ 38,667,832	\$ 39,764,229	\$ 41,686,406	\$ 42,846,456	\$ 44,269,221	\$ 45,114,688	\$ 46,222,453	\$ 47,122,847	\$ 50,035,688
Tuition	230,509	181,435	181,187	107,063	29,144	39,334	100,734	148,373	87,889	124,658
Transportation Fees				34,315	11,500	-	-	-	40,000	40,000
Miscellaneous	286,276	187,963	653,948	1,862,134	647,786	494,738	540,118	860,606	978,185	1,257,429
State Sources	33,425,734	34,601,723	36,621,456	39,708,760	45,372,050	51,219,682	60,644,140	71,765,157	84,435,081	99,735,986
Federal Sources	3,182,483	2,747,104	2,837,765	2,974,068	2,791,913	5,094,318	6,918,635	6,783,266	9,115,348	3,912,963
Total revenue	74,790,508	76,386,057	80,058,585	86,372,746	91,698,849	101,117,293	113,318,315	125,779,855	141,779,350	155,106,724
Expenditures										
Instruction										
Regular Instruction	27,776,518	28,746,500	30,966,696	33,775,950	34,815,598	41,115,125	45,938,524	52,396,578	55,418,282	57,380,240
Special Education Instruction	12,883,573	13,153,460	13,814,685	14,691,214	14,185,604	12,709,966	14,025,874	14,711,789	16,404,708	19,542,911
Other Instruction	3,125,208	3,427,976	3,041,495	3,090,547	3,313,606	1,771,452	1,900,551	2,301,541	4,648,041	4,951,380
School Sponsored Activities and Athletics	909,795	1,042,918	1,110,925	1,143,444	1,225,156	1,250,249	1,379,880	1,808,858	2,042,132	2,293,122
Support Services:										
Student & Inst. Related Services	8,081,925	8,330,889	8,657,642	9,383,166	10,038,792	13,398,355	14,965,646	15,637,248	18,494,563	21,468,855
General Administrative	2,665,188	2,171,704	2,097,127	2,036,551	1,988,873	2,004,391	2,009,042	2,478,864	2,168,199	2,121,827
School Administrative Services	5,471,386	6,030,603	5,882,759	6,160,729	6,691,243	7,166,157	8,046,981	9,036,131	9,634,632	10,395,851
Central Administrative Services	1,624,441	1,702,511	1,584,020	1,933,306	2,141,175	2,808,279	3,355,996	3,300,615	3,318,168	4,364,504
Operations and Maintenance	5,981,135	5,866,137	6,255,547	6,513,800	6,591,382	7,082,896	7,472,616	9,260,870	10,916,070	11,972,284
Pupil Transportation	2,917,804	2,766,544	2,791,865	3,679,611	4,069,479	2,909,913	4,293,666	5,305,811	5,805,848	6,389,807
Debt Service										
Principal	1,916,388	1,830,984	2,136,698	1,885,123	3,913,753	3,360,104	4,966,065	6,195,054	9,124,129	8,928,400
Interest	107,605	111,972	92,727	1,707,986	1,718,089	1,861,509	1,944,517	1,962,786	2,309,253	2,867,870
Capital Outlay	1,971,380	1,251,128	2,226,684	13,277,200	20,368,838	17,983,451	13,439,027	14,434,520	8,029,842	4,149,049
Total Governmental Fund Expenditures	75,432,346	76,433,326	80,658,870	99,278,627	111,061,588	115,421,847	123,738,385	138,830,665	148,313,867	156,826,100
Excess (Deficiency) of revenues over (under) expenditures	(641,838)	(47,269)	(600,285)	(12,905,881)	(19,362,739)	(14,304,554)	(10,420,070)	(13,050,810)	(6,534,517)	(1,719,376)

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

	2016	2017	2018	2019	For the Fiscal Year Ended June 30,		2022	2023	2024	2025
					2020	2021				
Other Financing sources (uses)										
Bond Proceeds			\$ 48,536,000							
Capital and Other Financing Agreements	\$ 2,193,829		402,666	\$ 583,000	\$ 3,904,725	\$ 698,034	\$ 1,837,669	\$ 14,490,356	\$ 4,670,071	
Premium on Capital Financing Proceeds					274,000	-	-			
Leases Issued							6,162,859	690,657	232,216	\$ 2,147,128
IT Subscription Arrangements								2,469,070	180,399	-
Insurance Recoveries							502,433	277,906		73,773
Capital Financing Agreement Refunding			181,151	181,151					2,876,645	-
Payment to Refunding Escrow Agent			(176,894)	(176,894)					(2,876,645)	-
Transfers in			214,809	214,809	447,298	507,078	606,159	1,700,210	730,122	767,621
Transfers out			(214,809)	(214,809)	(447,298)	(507,078)	(606,159)	(1,700,210)	(790,186)	(814,332)
Total other financing sources (uses)	2,193,829	-	48,942,923	587,257	4,178,725	698,034	8,502,961	17,927,989	5,022,622	2,174,190
Net change in fund balances	\$ 1,551,991	\$ (47,269)	\$ 48,342,638	\$ (12,318,624)	\$ (15,184,014)	\$ (13,606,520)	\$ (1,917,109)	\$ 4,877,179	\$ (1,511,895)	\$ 454,814
Debt service as a percentage of noncapital expenditures	2.76%	2.58%	2.84%	4.18%	6.21%	5.36%	6.27%	6.56%	8.15%	7.73%

* Noncapital expenditures are total expenditures less capital outlay.

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

Fiscal Year Ended	Transportation		Interest on	Gate	Miscellaneous		Voided Outstanding		E-Rate /	Other	
June 30,	Tuition	Fees	Investments	Receipts	Fees	Refunds	Rentals	Checks	Rebate	Misc.	Total
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
2023	148,373		294,865		3,032	136,546	69,487	7,001		18,138	677,442
2024	87,889	40,000	322,370		5,699	39,645	65,977	31,461	19,651	127,370	740,062
2025	124,658	41,000	374,387		2,097	3,844	121,965			314,481	982,432

BELLEVILLE PUBLIC 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
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
2023	29,365,500	2,339,915,000		369,448,900	121,163,900	240,518,300	3,100,411,600	6,001,800	3,106,413,400	3,813,825,891	1.494
2024	34,358,100	2,347,167,900		372,405,900	129,192,300	242,038,900	3,125,163,100	5,431,700	3,130,594,800	4,262,661,398	1.598
2025	35,252,500	2,349,749,500		377,488,900	108,386,300	238,300,900	3,109,178,100	4,876,300	3,114,054,400	4,776,645,335	1.653

Source: County Abstract of Ratables

^a Tax rates are per \$100

EXHIBIT J-7

BELLEVILLE PUBLIC 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	
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
2023	1.517	1.870	0.527	3.914
2024	1.598	1.913	0.522	4.033
2025	1.653	1.963	0.541	4.157

Source: Municipal Tax Collector

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

Taxpayer	2025		2016	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Branch Brook Garden	\$ 34,339,800	1.10%	\$ 36,722,900	1.37%
432 Owners, Inc	21,635,800	0.69%	17,250,000	0.64%
Clara Maass Medical Center	15,668,100	0.50%		
Belleville Equities, LLC	14,500,000	0.47%		0.00%
Belleville Industrial Center			12,500,000	0.47%
SROA Belleville Property, LLC	13,207,100	0.42%		
Oster Belleville Properties, LLC	11,802,400	0.38%	11,405,000	0.42%
Belleville Industrial Properties,Bldg 12			9,797,700	0.36%
Bellevue Gardens, LLC	10,000,000	0.32%		0.00%
SH 726 LLC	9,800,300	0.31%	7,900,000	0.29%
Clara Maass Health Systems c/o Altus Group	9,336,200	0.30%	8,807,200	0.33%
Belleville Center, LLC	9,183,000	0.29%	10,804,200	0.40%
Venture, Draisin-Levco Belleville Assoc			7,664,500	0.29%
Belleville Equities, LLC			7,125,000	0.27%
	<u>\$ 149,472,700</u>	<u>4.80%</u>	<u>\$ 129,976,500</u>	<u>4.84%</u>

Source: Municipal Tax Assessor

EXHIBIT J-9

**BELLEVILLE PUBLIC 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
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%
2023	46,222,453	46,222,453	100.00%		46,222,453	100.00%
2024	47,122,847	47,122,847	100.00%		47,122,847	100.00%
2025	50,035,688	50,035,688	100.00%		50,035,688	100.00%

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

Fiscal Year Ended June 30,	Governmental Activities						Subscription- Based Information Technology Arrangements	Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements	Other Financing Agreements	State Aid Advance Loan	Leases					
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	48,536,000	1,343,586	582,261	2,497,454				52,959,301	36,630	1,446
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	\$ 609,321		59,745,980	37,774	1,582
2023	41,785,000	17,391,576		832,482	8,367,863	2,824,088		71,201,009	37,480	1,900
2024	40,290,000	17,483,588	877,298	416,239	5,907,928	2,283,059		67,258,112	37,453	1,796
2025	38,750,000	14,282,735	670,703	-	5,276,765	1,496,637		60,476,840	38,672	1,564

* Estimate

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015			-	0.00%	-
2016			-	0.00%	-
2017			-	0.00%	-
2018	\$ 48,536,000		\$ 48,536,000	1.57%	\$ 1,325
2019	48,536,000		48,536,000	1.57%	1,325
2020	44,640,000		44,640,000	1.44%	1,225
2021	44,640,000		44,640,000	1.44%	1,182
2022	43,235,000		43,235,000	1.38%	1,154
2024	41,785,000		41,785,000	1.33%	1,116
2025	38,750,000		38,750,000	1.24%	1,002

Source: District records

**BELLEVILLE PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2024
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
BELLEVILLE PUBLIC SCHOOL DISTRICT (as of June 30, 2025)	\$ 38,750,601
Township of Belleville	<u>65,309,248</u>
	<u>104,059,849</u>
Overlapping Debt Apportioned to the Municipality:	
Essex County:	
County of Essex (A)	34,467,548
Passaic Valley Sewerage Authority (B)	<u>15,356,011</u>
Total Overlapping Debt	<u>49,823,559</u>
Total Direct and Overlapping Debt	<u><u>\$ 153,883,408</u></u>

Source:

(1) Township's 2024 Annual Debt Statement

(A) The debt for this entity was apportioned to the municipality by dividing the municipality's 2024 equalized value by the total 2024 equalized value for Essex County.

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

BELLEVILLE PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized valuation basis
2024	\$ 4,763,242,036
2023	4,193,145,253
2022	3,767,732,740
	<u>\$ 12,724,120,029</u>
Average equalized valuation of taxable property	<u>\$ 4,241,373,343</u>
Debt limit (4 % of average equalization value)	\$ 169,654,934
Total Net Debt Applicable to Limit	<u>38,750,601</u>
Legal debt margin	<u>\$ 130,904,333</u>

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 111,578,386	\$ 109,971,672	\$ 109,508,735	\$ 110,295,761	\$ 116,108,287	\$ 123,192,804	\$ 130,574,228	\$ 139,018,441	\$ 151,444,990	\$ 169,654,934
Total net debt applicable to limit	-	-	48,536,601	48,536,601	46,010,601	44,640,601	43,235,601	41,785,601	40,290,601	38,750,601
Legal debt margin	<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>	<u>\$ 97,232,840</u>	<u>\$ 111,154,389</u>	<u>\$ 130,904,333</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	44.32%	44.01%	39.63%	36.24%	33.11%	30.06%	26.60%	22.84%

Source: Annual Debt Statements

**BELLEVILLE PUBLIC 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>
2016	35,950	\$ 54,609	5.5%
2017	35,994	56,281	5.1%
2018	35,977	57,228	4.4%
2019	36,630	58,707	3.9%
2020	36,644	59,322	11.8%
2021	36,446	63,077	8.1%
2022	37,774	67,431	4.6%
2023	37,480	74,714	5.1%
2024	37,453	76,488	5.3%
2025	38,672	80,460	not available

Source: New Jersey State Department of Education

(E) - Estimate

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

<u>2025</u>			<u>2015</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of</u>	<u>Employees</u>	<u>Percentage of</u>
		<u>Total</u>		<u>Total</u>
		<u>Municipal</u>		<u>Municipal</u>
		<u>Employment</u>		<u>Employment</u>

INFORMATION IS NOT AVAILABLE

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

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	293.0	238.0	229.0	250.0	254.0	288.0	325.0	343.0	336.0	353.0
Special Education	45.0	70.0	53.0	73.0	77.0	76.0	79.0	79.0	79.0	98.0
Other Special Education	44.0	104.0	107.0	103.0	108.0	118.0	116.0	123.0	144.0	178.0
Other Instruction	1.0	-	-							
Support Services:										
Student and Instruction Related Services	33.0	51.0	33.0	33.0	33.0	35.0	43.0	50.0	69.0	48.0
General Administrative Services	5.0	11.0	-	-			-			
School Administrative Services	21.0	17.0	35.0	35.0	35.0	35.0	39.0	48.0	40.0	41.0
Central Services	7.0	10.0	50.0	50.0	50.0	50.0	31.0	31.0	36.0	33.0
Administrative Information Technology	4.0	3.0	3.0	7.0	7.0	8.0	8.0	8.0	9.0	10.0
Plant Operations and Maintenance	36.0	39.0	36.0	36.0	36.0	46.0	50.0	61.0	62.0	66.0
Pupil Transportation	15.0	14.0	26.0	26.0	26.0	28.0	31.0	32.0	29.0	33.0
Other Support Services	16.0	15.0	63.0	63.0	63.0	51.0	57.0	62.0	57.0	62.0
Total	<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>	<u>837.0</u>	<u>861.0</u>	<u>922.0</u>

Source: District Personnel Records

N/A - Information is not available.

BELLEVILLE PUBLIC 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
2015	4,761	\$ 69,724,944	14,645	-1.67%	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%
2023	5,146	116,238,305	22,588	3.36%	422	13.8	11.0	11.5	4,893.3	4,454.4	7.95%	91.03%
2024	4,894	128,850,643	26,328	16.6%	415	11.8	10.7	12.3	4,821.0	4,431.0	-1.48%	91.91%
2025	4,878	140,880,781	28,881	9.7%	451	11.4	9.1	10.9	4,821.0	4,431.0	0.00%	91.91%

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 PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>District Building</u>										
<u>Preschool</u>										
Hornblower Early Childhood Center										
Square Feet						7,340	38,690	40,102	40,102	40,102
Capacity Students						75	200	261	261	261
Enrollment						66	177	309	245	
<u>Elementary</u>										
School Three										
Square Feet	42,852	42,852	48,852	48,852	48,852	48,852	48,852	48,852	48,852	48,852
Capacity Students	299	299	299	299	299	299	299	299	299	299
Enrollment	338	306	343	389	350	330	334	372	337	333
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	360	349	322	427	459	478	473	457	438	437
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	308	328	355	424	401	384	403	394	362	361
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	396	388	380	431	450	397	426	453	428	429
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	430	430	442	511	498	470	491	510	507	506
School Nine										
Square Feet	16,167	16,167	16,167	16,167	16,167	16,167	16,167	16,167	14,167	14,167
Capacity Students	158	158	158	158	158	158	158	158	158	158
Enrollment	116	127	127	134	138	122	113	139	138	138
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	148	166	168	171	151	158	173	166	164	244
<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	1,024	974	973	621	711	741	700	677	686	679
<u>Middle School Annex</u>										
Square Feet								25,000	25,000	25,000
Capacity Students								470	470	470
Enrollment								-	-	-
<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	1,404	1,388	1,378	1,356	1,393	1,341	1,441	1,474	1,589	1,587

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<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	1,524	1,524	1,524
499 Greylock Square Feet							1,558	1,558	1,558	1,558
335 Union Square Feet							1,490	1,490	1,490	1,490
387 Union Square Feet							1,260	1,260	1,260	1,260
567 Franklin Square Feet							3,620	3,620	3,620	3,620
Athletic Facility Square Feet							25,000	25,000	25,000	25,000
St. Peter's Parking lot Square Feet								16,000	16,000	16,000
56 Ralph - Offices Square Feet								4,700	4,700	4,700
56 Ralph - Maintenance Garage Square Feet								10,000	10,000	10,000
Number of Schools at June 30, 2025										
Preschool - 1										
Elementary - 7										
Middle School - 1										
High School - 1										
Other -13										

Source: District Records

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

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
School Facilities										
Hornblower Early Childhood Center								\$	8,260	\$ 10,706
School Three	\$ 65,827	\$ 71,216	\$ 88,401	\$ 89,785	\$ 92,859	\$ 49,199	\$ 49,240	\$ 76,068	103,164	220,250
School Four	54,303	58,749	72,925	74,067	76,603	193,284	193,445	298,840	118,055	336,492
School Five	37,531	40,603	50,401	51,190	52,943	75,529	75,592	116,777	81,058	211,072
School Seven	69,487	75,175	93,316	94,777	98,022	101,553	101,638	157,014	137,519	282,959
School Eight	74,982	81,120	100,695	102,272	105,774	106,584	106,672	164,790	215,744	258,793
School Nine	46,541	50,351	62,502	63,481	65,654	50,111	50,152	77,476	98,851	66,075
School Ten	30,993	33,530	41,622	42,274	43,721	18,297	18,312	28,289	176,077	122,361
Middle School	106,422	115,134	142,917	145,155	150,125	259,157	259,372	400,686	463,343	439,887
High School	<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>	<u>976,998</u>	<u>935,785</u>	<u>1,081,793</u>
Grand Total	<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>	<u>\$ 2,296,938</u>	<u>\$ 2,337,856</u>	<u>\$ 3,030,388</u>

Source: District Records

BELLEVILLE PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - N.J. Schools Insurance Group		
Property:		
Blanket Building and Contents	\$ 100,000,000	\$ 25,000
Boiler and Machinery	350,000,000	5,000
Real and Personal Property	50,000,000	5,000
Extra Expense	10,000,000	5,000
Valuable Papers and Records	25,000,000	
Demolition and Increased Costs of Construction	10,000	
Fire Department Service Charge/Arson Reward	250,000	
Pollutant Cleanup and Removal	25,000,000	500,000
Special Flood Hazard Area Flood Zones	75,000,000	10,000
All Flood Zones	250,000	
Accounts Receivable	50,000,000	
Earthquake	1,000,000	
Terrorism		
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	1,000
Premises Medical Payments	10,000	
Electronic Data Processing:		
Hardware/Software	350,000,000	1,000
Crime:		
Blanket Dishonest	1,000,000	1,000
Forgery or Alteration	1,000,000	1,000
Money and Securities	100,000	1,000
Money Order/Counterfeit	100,000	1,000
Computer Fraud	1,000,000	1,000
Public Officials Bond:		
Board Secretary	500,000	
Treasurer	500,000	
Automobile:		
Comprehensive Automobile Liability	16,000,000	1,000
Uninsured/Underinsured Motorists	25,000	
Personal Injury Protection	250,000	
Garage keepers Liability	Included	
Worker's Compensation		
	Statutory Limits	
Cyber Liability	2,000,000	250,000
School Leaders Errors and Omissions - AIG	100,000/300,000	200,000
School Leaders Errors and Omissions - NJSIG	16,000,000	200,000
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
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ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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 Public 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 Public School District as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Belleville Public School District's basic financial statements and have issued our report thereon dated October 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Belleville Public 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 Public School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Belleville Public 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Belleville Public 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.

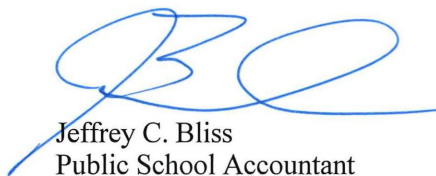
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Belleville Public School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated October 14, 2025.

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 Public 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 Public 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
October 14, 2025



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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JOHN 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 Public 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 Public 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 Public School District's major federal and state programs for the fiscal year ended June 30, 2025. The Belleville Public 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 Public 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, 2025.

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 Public 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 Public 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 Public 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 Public 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 Public 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 Public 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 Public 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 Public 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 instances of noncompliance, which are required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which are described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002. 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 Public School District's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Belleville Public School District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Belleville Public School District's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Belleville Public 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.

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 Public School District, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Belleville Public School District's basic financial statements. We have issued our report thereon dated October 14, 2025, 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
October 14, 2025

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal/ Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2024			Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Adjustments	Balance, June 30, 2025			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																
Enterprise Fund																
National School Lunch Program - Non Cash	10.555	251NJ304N1099	7/1/24-6/30/25	\$ 308,403						\$ 308,404	\$ 301,449			\$ 6,955	-	
National School Lunch Program - Non Cash	10.555	241NJ304N1099	7/1/23-6/30/24	320,604		\$ 4,457					4,457				-	
National School Lunch Program	10.555	251NJ304N1099	7/1/24-6/30/25	1,774,308						1,643,619	1,774,308		\$ (130,689)		\$ (130,689)	
National School Lunch Program	10.555	241NJ304N1099	7/1/23-6/30/24	1,644,131	\$ (122,634)					122,634			-		-	
National School Breakfast Program	10.553	251NJ304141099	7/1/24-6/30/25	856,192						790,944	856,192		(65,248)		(65,248)	
National School Breakfast Program	10.553	241NJ304141099	7/1/23-6/30/24	724,269	(59,744)					59,744			-		-	
Summer Food Service Program	10.559	25NJ304N1099	7/1/24-6/30/25	87,511						87,511	87,511					
Summer Food Service Program	10.559	24NJ304N1099	7/1/23-6/30/24	7,909						7,909	7,909				-	
Summer EBT Admin Costs	10.649	2022225900941	7/1/24-6/30/25	1,556						1,556	1,556					
Local Food for Schools Cooperative	10.185	N/A	7/1/24-6/30/25	35,150	-	-	-	-	-	35,150	35,150	-	-	-	-	
Total Child Nutrition Cluster					(182,378)	4,457	-	-	-	3,057,471	3,068,532	-	(195,937)	6,955	-	
Total Enterprise Fund					(182,378)	4,457	-	-	-	3,057,471	3,068,532	-	(195,937)	6,955	-	
General Fund																
U.S. Department of Health and Human Services Passed-through State Department of Education																
Medical Assistance Program (SEMI)	93.778	2005NJSMAP	7/1/24-6/30/25	92,964	-	-	-	-	-	92,964	92,964	-	-	-	-	
Total General Fund					-	-	-	-	-	92,964	92,964	-	-	-	-	
U.S. Department of Education Passed-through State Department of Education																
Special Revenue Fund																
IDEA Part B, Basic	84.027	H027A240100	7/1/24-9/30/25	1,393,513				\$ 15,801	\$ (15,800)	1,306,475	1,394,999		(102,838)	14,315	(88,523)	
IDEA Part B, Basic	84.027	H027A230100	7/1/23-9/30/24	1,358,368	(223,759)	15,801		(15,801)	15,800	207,959			-	-	-	
IDEA Part B, Preschool Handicapped	84.173	H173A240114	7/1/24-9/30/25	32,400	-	-	-	-	-	32,400	32,400	-	-	-	-	
Total Special Education Cluster					(223,759)	15,801	-	-	-	1,546,834	1,427,399	-	(102,838)	14,315	-	
Carl D. Perkins Vocation Education	84.048A	V048A240030	7/1/24-6/30/25	58,536						23,219	41,115		(35,317)	17,421	(17,896)	
Carl D. Perkins Vocation Education	84.048A	V048A230030	7/1/23-6/30/24	47,391	(1,235)	643	-	-	-	588	-	-	(4)	-	(4)	
Total Carl D. Perkins Vocation Education					(1,235)	643	-	-	-	23,807	41,115	-	(35,321)	17,421	(17,900)	
ESEA - Title I, Part A	84.010	S010A240030	7/1/24-9/30/25	1,615,506				186,092	(186,092)	811,876	1,468,037		(989,722)	333,561	(656,161)	
ESEA - Title I, Part A	84.010	S010A230030	7/1/23-9/30/24	1,352,857	(797,887)	511,537		(186,092)	186,092	611,795	325,445		-	-		
ESEA - Title I, SIA Part A	84.010	S010A230030	7/1/24-9/30/25					12,220	(12,220)		12,098		(12,220)	122	(12,098)	
ESEA - Title I, SIA Part A	84.010	S010A230030	7/1/23-9/30/24	25,000	(25,000)	12,220	-	(12,220)	12,220	12,780	-	-	-	-	-	
Total ESEA Title I					(822,887)	523,757	-	-	-	1,436,451	1,805,580	-	(1,001,942)	333,683	-	
ESEA Title II, Part A	84.367A	S367A240029	7/1/24-9/30/25	190,324				104,664	(105,601)	149,409	193,403		(146,516)	101,585	(44,931)	
ESEA Title II, Part A	84.367A	S367A230029	7/1/23-9/30/24	181,880	(166,748)	104,664	-	(104,664)	105,601	61,147	-	-	-	-	-	
Total ESEA Title II					(166,748)	104,664	-	-	-	210,556	193,403	-	(146,516)	101,585	-	

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2024			Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Adjustments	Balance, June 30, 2025			Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue	Due to Grantor						(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	S365A240030	7/1/24-9/30/25	\$ 103,436				\$ 13,642	\$ (13,661)	\$ 52,004	\$ 90,031		\$ (65,093)	\$ 27,047		\$ (38,046)
ESEA Title III - Language	84.365	S365A220030	7/1/23-9/30/24	70,584	(34,605)	13,642		(13,642)	13,661	20,944			-	-		-
ESEA Title III - Immigrant	84.365	S365A240030	7/1/24-9/30/25	27,414	-	-	-	-	-	-	2,759	-	(27,414)	24,655	-	(2,759)
Total ESEA Title III					(34,605)	13,642	-	-	-	72,948	92,790	-	(92,507)	51,702	-	(40,805)
ESEA Title IV	84.424	S424A240031	7/1/24-9/30/25	104,742				66,559	(68,305)	54,408	73,902		(118,639)	97,399		(21,240)
ESEA Title IV	84.424	S424A230031	7/1/23-9/30/24	111,219	(90,618)	66,559	-	(66,559)	68,305	22,313	-	-	-	-	-	-
Total ESEA Title IV					(90,618)	66,559	-	-	-	76,721	73,902	-	(118,639)	97,399	-	(21,240)
ARP NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(45,000)	44,820				45,000	44,820		-	-		-
ARP Homeless Children and Youths	84.425W	S425W210031	4/23/21-9/30/24	29,753	(16,126)	3,628				16,126	3,628		-	-	-	-
Learning Acceleration - High Impact Tutoring Grant	84.425	E2400292	10/1/23-8/31/24	305,718	(35,930)	29,729	-	-	-	-	-	-	(6,201)	-	-	(6,201)
Total CARES/ESSER Cluster					(97,056)	78,177	-	-	-	61,126	48,448	-	(6,201)	-	-	(6,201)
Coronavirus State and Local Fiscal Recovery																
High Impact Tutoring Competitive	21.027		7/1/24-6/30/25	60,771	-	-	-	-	-	-	52,358	-	(52,358)	-	-	(52,358)
Total CRF Cluster					-	-	-	-	-	-	52,358	-	(52,358)	-	-	(52,358)
Total Special Revenue Fund					\$ (1,436,908)	\$ 803,243	\$ -	\$ -	\$ -	\$ 3,428,443	\$ 3,734,995	\$ -	\$ (1,556,322)	\$ 616,105	\$ -	\$ (940,217)
Total Federal Awards					\$ (1,619,286)	\$ 807,700	\$ -	\$ -	\$ -	\$ 6,578,878	\$ 6,896,491	\$ -	\$ (1,752,259)	\$ 623,060	\$ -	\$ (1,136,154)

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2024	Carryover Amount	Cash Received	Budgetary Expenditures	Transfers / Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2025			Memo	
										(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund:														
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	\$ 57,979,973			\$ 52,230,635	\$ 57,979,973			\$ (5,749,338)				\$ 57,979,973
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	48,959,149	\$ (4,845,850)		4,845,850				-				-
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	5,723,423			5,155,884	5,723,423			(567,539)				5,723,423
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	3,112,840	(308,101)		308,101				-				-
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	2,256,587		-	2,032,822	2,256,587			(223,765)				2,256,587
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	1,686,624	(166,938)	-	166,938	-	-	-	-	-	-	-	-
Total State Aid Public Cluster				(5,320,889)	-	64,740,230	65,959,983	-	-	(6,540,642)	-	-	-	65,959,983
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	625,449			563,429	625,449		-	(62,020)				625,449
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	625,449	(61,905)		61,905				-				-
Non-Public School Transportation	25-495-034-5120-014	7/1/24-6/30/25	128,892				128,892			(128,892)			\$ (128,892)	128,892
Non-Public School Transportation	24-495-034-5120-014	7/1/23-6/30/24	125,580	(125,580)	-	125,580	-	-	-	-	-	-	-	-
Total Transportation Aid Cluster				(187,485)	-	750,914	754,341	-	-	(190,912)	-	-	(128,892)	754,341
Extraordinary Special Ed Costs Aid	25-495-034-5120-044	7/1/24-6/30/25	1,284,431		-		1,284,431		-	(1,284,431)				1,284,431
Extraordinary Special Ed Costs Aid	24-495-034-5120-044	7/1/23-6/30/24	930,669	(930,669)		930,669				-				-
Menstrual Product Reimbursement	N/A	7/1/24-6/30/25	16,742				16,742			(16,742)			(16,742)	16,742
On Behalf Payments				-						-				-
TPAF Social Security	25-495-034-5094-003	7/1/24-6/30/25	3,268,309			3,106,688	3,268,309			(161,621)			(161,621)	3,268,309
TPAF Social Security	24-495-034-5094-003	7/1/23-6/30/24	3,077,402	(157,140)		157,140				-			-	-
TPAF Contributions:														
Pension - NCGI Premium	25-495-034-5094-004	7/1/24-6/30/25	178,364			178,364	178,364							178,364
Pension Benefit Contribution	25-495-034-5094-002	7/1/24-6/30/25	14,398,920			14,398,920	14,398,920							14,398,920
Long Term Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	6,895			6,895	6,895							6,895
Post Retirement Medical Benefit Contribution	25-495-034-5094-001	7/1/24-6/30/25	4,259,494	-	-	4,259,494	4,259,494	-	-	-	-	-	-	4,259,494
Total General Fund				(6,596,183)	-	88,529,314	90,127,479	-	-	(8,194,348)	-	-	(307,255)	90,127,479
Special Revenue:														
Preschool Education Aid	25-495-034-5120-065	7/1/24-6/30/25	8,780,891		\$ 189,550	7,902,802	9,703,484	\$ 734,344	-	(878,089)	\$ 1,301	-	-	9,703,484
Preschool Education Aid	24-495-034-5120-065	7/1/23-6/30/24	8,242,593	(634,709)	(189,550)	824,259	-	-	-	-	-	-	-	-
Total Preschool Ed Aid				(634,709)	-	8,727,061	9,703,484	734,344	-	(878,089)	1,301	-	-	9,703,484
New Jersey Nonpublic Aid:														
Auxiliary Services:														
Compensatory Education	25-100-034-5120-067	7/1/24-6/30/25	72,391		-	72,391	71,953					\$ 438		71,953
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	68,150	635	-			-	\$ 635	-	-	-	-	-
English as a Second Language	25-100-034-5120-067	7/1/24-6/30/25	4,062		-	4,062	4,061					1		4,061
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	2,930	183	-	-	-	-	183	-	-	-	-	-
Total Auxiliary Services (Chapter 192) Cluster				818	-	76,453	76,014	-	818	-	-	439	-	76,014
Handicapped Services:														
Examination and Classification	25-100-034-5120-066	7/1/24-6/30/25	17,248			17,248	7,965					9,283		7,965
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	9,764	5,212					5,212			-		-
Corrective Speech	25-100-034-5120-066	7/1/24-6/30/25	11,160			11,160	4,650					6,510		4,650
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	10,509	93					93			-		-
Supplemental Instruction	25-100-034-5120-066	7/1/24-6/30/25	8,260			8,260	6,195					2,065		6,195
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	6,608	661	-	-	-	-	661	-	-	-	-	-
Total Handicapped Services (Chapter 193) Cluster				5,966	-	36,668	18,810	-	5,966	-	-	17,858	-	18,810

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2024	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2025			Memo	
										(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education (Continued)														
Textbook Aid	25-100-034-5120-064	7/1/24-6/30/25	\$ 5,165			\$ 5,165	\$ 5,165					-		\$ 5,165
Nursing Services	25-100-034-5120-070	7/1/24-6/30/25	13,130			13,130	9,355					\$ 3,775		9,355
Nursing Services	24-100-034-5120-070	7/1/23-6/30/24	12,480	\$ 318					\$ 318			-		-
Nonpublic Technology	25-100-034-5120-373	7/1/24-6/30/25	4,949			4,949	4,949					-		4,949
Nonpublic Technology	24-100-034-5120-373	7/1/23-6/30/24	5,096	483					483			-		-
Nonpublic Security	24-100-034-5120-509	7/1/24-6/30/25	20,705			20,705	20,555					150		20,555
Nonpublic Security	23-100-034-5120-509	7/1/23-6/30/24	21,320	540	-				540			-	-	-
New Jersey Schools Development Authority														
Emergent and Capital Maintenance Needs	N/A	N/A	121,582	114,275	-		114,275					-	-	121,582
Expanding Access to Computer Science High School Courses Program														
	24E00844	6/1/24-8/31/25	45,927				39,798			\$ (45,927)	\$ 6,129		\$ (39,798)	39,798
Funding for Optimal Comprehensive Universal Screeners (FOCUS)														
	25000253	6/1/25-5/31/26	12,680							(12,680)	12,680			
Climate Literacy for Comm Resilience Competitive														
	25000181	6/1/25-5/31/26	30,356	-	-	-	-	-	-	(30,356)	30,356	-	-	-
State Department of Community Affairs														
Local Recreation Improvement Grant	Not Available	1/1/23-12/31/23	85,000	(85,000)	-	85,000				-	-	-	-	85,000
State Division of Student Services														
NJ Amistad Commission Exemplary Award	Not Available	N/A	2,500	2,500			2,500				-			2,500
State Department of Environment Protection														
Equipment Modernization Program - Electric School Buses	069G	N/A	834,604	(824,703)	-	-	122,250	-	-	(946,953)	-	-	(946,953)	834,604
State Department of Transportation														
It pays to Plug In 2023	25-100-4892-055-V7K2-399901	N/A	80,000	-	-	-	52,850	-	-	(80,000)	27,150	-	(52,850)	52,850
Total Special Revenue Fund				(1,419,512)	-	8,969,131	10,170,005	734,344	8,125	(1,994,005)	77,616	22,222	(1,039,601)	10,974,666
State Department of Education														
Debt Service Fund:														
Debt Service Aid-Type II	25-495-034-5120-075	7/1/24-6/30/25	1,179,395	-	-	1,179,395	1,179,395	-	-	-	-	-	-	1,179,395
Total Debt Service Fund				-	-	1,179,395	1,179,395	-	-	-	-	-	-	1,179,395
State Department of Agriculture														
Enterprise Fund:														
State Breakfast Program	25-100-010-3350-023	7/1/24-6/30/25	48,640			45,075	48,640			(3,565)	-		(3,565)	48,640
State Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	27,834	(2,339)		2,339				-			-	-
State After the Bell Program	25-100-010-3350-023	7/1/24-6/30/25	35,611			32,907	35,611			(2,704)	-		(2,704)	35,611
State After the Bell Program	24-100-010-3350-023	7/1/23-6/30/24	33,712	(2,712)		2,712				-			-	-
State School Lunch Program	25-100-010-3350-023	7/1/24-6/30/25	118,420			109,526	118,420			(8,894)	-		(8,894)	118,420
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	97,278	(7,297)	-	7,297		-	-	-	-	-	-	-
Summer EBT Program for Kids		7/1/24-6/30/25	1,556			1,556	1,556			-			-	1,556
Summer Food Program State	25-100-010-3350-023	7/1/24-6/30/25	2,128			2,128	2,128			-			-	2,128
Summer Food Program State	24-100-010-3350-023	7/1/23-6/30/24	190	-	-	190	190	-	-	-	-	-	-	190
Total Food Service Fund				(12,348)	-	203,730	206,545	-	-	(15,163)	-	-	(15,163)	206,545
Total State Financial Assistance Subject to Single Audit Determination				(8,028,043)	-	98,881,570	101,683,424	734,344	8,125	(10,203,516)	77,616	22,222	(1,362,019)	102,488,085

BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2015	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2016			GAAP Receivable	Memo Cumulative Total Expenditures
										(Accounts Receivable)	Deferred Revenue	Due to Grantor		
State Financial Assistance														
Not Subject to Major Program Determination														
General Fund														
On-Behalf TPAF Pension System Contributions-NCGI		7/1/24-6/30/25	178,364			\$ (178,364)	\$ (178,364)						\$	(178,364)
On-Behalf TPAF Pension System Contributions- Pension Benefit		7/1/24-6/30/25	14,398,920			(14,398,920)	(14,398,920)							(14,398,920)
On-Behalf TPAF Long Term Disability Insurance		7/1/24-6/30/25	3,895			(6,895)	(6,895)							(6,895)
On-Behalf TPAF Post-Retirement Medical Contribution		7/1/24-6/30/25	4,259,494	-	-	(4,259,494)	(4,259,494)	-	-	-	-	-	-	(4,259,494)
Total State Financial Assistance Subject to Major Program Determination				\$ (8,028,043)	\$ -	\$ 80,037,897	\$ 82,839,751	\$ 734,344	\$ 8,125	\$ (10,203,516)	\$ 77,616	\$ 22,222	\$ (1,362,019)	\$ 83,644,412

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 REPORTING ENTITY

The Belleville Public School District (the "District") received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The District is the reporting entity for these programs. The District is defined in Note 1 (A) to the District's Financial Statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the "Schedules") present the activity of all federal and state programs of the District. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are 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* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 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 the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the District's financial statements, respectively. -Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The District's summary of significant accounting policies are described in Note 1 to the District's financial statements.

NOTE 4 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 \$1,573,630 for the general fund and an increase of \$653,735 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 District's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 92,964	\$ 88,553,849	\$ 88,646,813
Special Revenue Fund	3,819,999	10,002,742	13,822,741
Debt Service Fund		1,179,395	1,179,395
Food Service Fund	<u>3,068,532</u>	<u>206,545</u>	<u>3,275,077</u>
Total Awards and Financial Assistance	<u>\$ 6,981,495</u>	<u>\$ 99,942,531</u>	<u>\$ 106,924,026</u>

**BELLEVILLE PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 5 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 6 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 \$3,268,308 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, 2025. The amount reported as TPAF Pension System Contributions in the amount of \$14,577,284, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$4,259,494 and TPAF Long-Term Disability Insurance in the amount of \$6,895 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

NOTE 7 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 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 8 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.

Financial Statement Section

Unmodified

 yes X no

 yes X none reported

 yes X no

_____ yes X no

 yes X none reported

Unmodified

 yes X no

<u>CFDA Number(s)</u>	<u>FAIN</u>	<u>Name of Federal Program or Cluster</u>
84.027	H027A240100	IDEA Basic - Specail Education Cluster
84.173	H173A240114	IDEA Preschool - Special Education Cluster

\$ 750,000

X	yes	no
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**BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Part I – Summary of Auditor's Results

State 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 weakness(es)?

 X yes _____ 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 N.J. Circular Letter 15-08?

 X yes _____ no

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-078</u>	<u>Equalization Aid - State Aid Public Cluster</u>
<u>495-034-5120-084</u>	<u>Security Aid - State Aid Public Cluster</u>
<u>495-034-5094-003</u>	<u>Reimbursed TPAF Socail Security</u>
<u>495-034-5120-065</u>	<u>Preschool Education Aid</u>
_____	_____

Dollar threshold used to distinguish between
Type A and Type B programs:

\$ 2,485,193

Auditee qualified as low-risk auditee?

 X yes _____ no

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 were none.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 2025-001

We noted payments to a preschool provider were not reduced during the school year for under enrollment of students in accordance with the private provider contract terms.

State Program Information

Preschool Education Aid 495-034-5120-086

Criteria or Specific Requirement

Preschool Education Aid Grant Compliance Supplement – Types of Services Allowed or Unallowed.

Condition

The private provider did not meet the required minimum monthly enrollment of 14 students for each classroom in accordance with the terms of the approved private provider contract.

Questioned Costs

Unknown.

Context

Private provider did not meet the contractual student enrollment numbers for the entire 2024/2025 school year.

Effect

Payments made to the private provider were in excess of required contractual amounts.

Cause

Unknown

Recommendation

The District review and monitor preschool private providers to ensure enrollment adjustments are calculated and payments revised in accordance with the private provider contract terms.

View of Responsible Officials and Planned Corrective Action

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 2025-002

Our audit of purchases and contract awards in excess of the bid and quote thresholds revealed the following as it related to compliance with the Public School Contracts Law and State procurement regulations:

- We noted, in certain instances, contracts awarded by resolution in excess of the bid threshold did not indicate method of procurement (i.e. publicly advertised bids, competitive contracts, EUS, state contract, cooperative purchasing program). We were unable to determine if contracts were procured in accordance with the Public Schools Contract Law.
- We noted a contract awarded in excess of the bid threshold made through a National Cooperative that was not approved by Board resolution. In addition, the contract award was not supported by a cash savings analysis, a pre award intent to purchase notice was not published and contract award documentation was not on file and available to audit.
- We noted payments made for certain goods and services which exceeded the quote threshold, however competitive quotations were not provided for audit.
- We noted a reduction of \$67,545 to a construction contract from the original contract award amount that was not approved by Board resolution.
- Business Registration Certificated (BRC) or Political Contribution Disclosure Forms (PCD) were not provided or available for certain vendors.

State Program Information

State Aid – Public Cluster 495-034-5120-089/084

Criteria or Specific Requirement

State Aid – Public Compliance Supplement – Special Tests and Provisions

Condition

See Finding 2025-002

Questioned Costs

Unknown.

Context

See Finding 2025-002

Effect

District is not in compliance with the requirements of the Public Schools Contract Law and State procurement regulations.

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 2025-002 (Continued)

Cause

Unknown.

Recommendation

Internal control procedures over purchasing be reviewed and revised to ensure all contract awards and purchases which exceed the bid and quote thresholds are made in accordance with the requirements of the Public School Contracts Law and State procurement regulations.

View of Responsible Officials and Planned Corrective Action

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

**BELLEVILLE PUBLIC SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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 2024-001

Condition

Our audit of capital financing (lease purchase) agreements revealed four technology and security equipment leases previously entered into were refinanced which extended the initial lease term beyond the five (5) year period permitted under N.J.A.C. 6A:26-10.1.

Current Status

Corrective action was taken.