



OHIO AUDITOR OF STATE
KEITH FABER



**BELLAIRE LOCAL SCHOOL DISTRICT
BELMONT COUNTY
JUNE 30, 2025**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Bellaire Local School District
Belmont County
340 34th Street
Bellaire, Ohio 43906

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during 2025, the School District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary information

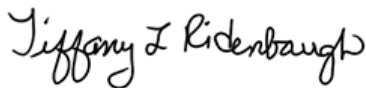
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The Schedule of Expenditures of Federal Awards (the Schedule) as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2026 on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



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

March 9, 2026

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Bellaire Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

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

Financial Highlights

Key financial highlights for fiscal year 2025 are as follows:

- Net position increased \$3,858,132.
- The High School Roof Project and Nelson Field Lighting Project were completed and placed in service, while work began on a school based health center project, funded in part by capital contributions from Ohio Hills Health Services. These projects, along with other improvements and acquisitions, resulted in more than \$2.2 million in capital asset additions.
- Equity in pooled cash and cash equivalents increased by nearly \$2.2 million, while investment earnings exceeded \$1.8 million.
- The implementation of GASB 101, *Compensated Absences* included a restatement of beginning net position of more than (\$2.4 million), and long-term liability of nearly \$3.6 million at fiscal year-end.
- Total Governmental Funds had more than \$23.8 million in revenues and nearly \$20.8 in expenditures. Overall, including other financing sources and uses, total governmental fund balances increased by more than \$3 million.

Using this Annual Financial Report

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

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2025?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all non-fiduciary assets and liabilities using the

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

These two statements report the School District's *net position* and changes in those assets. This change in net position is important because it tells the reader whether, for the School District as a whole, the *financial position* of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District's activities are all considered to be Governmental Activities including; instruction, support services, operation and maintenance of plant, pupil transportation, food service, debt service and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 11. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Schoolwide Pool Fund and the Capital Projects Fund.

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

Reporting the School District's Fiduciary Responsibilities

The School District is the trustee, or fiduciary, for a scholarship program. This activity is presented as a private purpose-trust fund. The School District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1, presented as follows, provides a summary of the School District's net position for fiscal year 2025 compared to fiscal year 2024.

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Table 1
Net Position

	2025	2024	Change
Assets			
Current and Other Assets	\$49,421,642	\$46,415,295	\$3,006,347
Net OPEB Assets	840,001	800,211	39,790
Capital Assets	22,309,043	21,623,556	685,487
<i>Total Assets</i>	<u>72,570,686</u>	<u>68,839,062</u>	<u>3,731,624</u>
Deferred Outflows of Resources			
Pension	2,883,861	2,644,981	238,880
OPEB	519,894	658,971	(139,077)
<i>Total Deferred Outflows of Resources</i>	<u>3,403,755</u>	<u>3,303,952</u>	<u>99,803</u>
Liabilities			
Current and Other Liabilities	2,399,841	2,313,472	86,369
Long-Term Liabilities:			
Due Within One Year	557,287	100,546	456,741
Due in More Than One Year:			
Net Pension Liability	11,183,353	11,829,257	(645,904)
Net OPEB Liability	532,337	901,463	(369,126)
Other Amounts	9,065,700	7,061,584	2,004,116
<i>Total Liabilities</i>	<u>23,738,518</u>	<u>22,206,322</u>	<u>1,532,196</u>
Deferred Inflows of Resources			
Property Taxes	9,623,702	9,104,127	519,575
Pension	1,619,958	1,233,622	386,336
OPEB	1,808,618	1,819,762	(11,144)
<i>Total Deferred Inflows of Resources</i>	<u>13,052,278</u>	<u>12,157,511</u>	<u>894,767</u>
Net Position			
Net Investment in Capital Assets	16,265,218	15,558,933	706,285
Restricted	7,529,309	7,687,470	(158,161)
Unrestricted	15,389,118	14,532,778	856,340
<i>Total Net Position</i>	<u>\$39,183,645</u>	<u>\$37,779,181</u>	<u>\$1,404,464</u>

New Accounting Pronouncement/Restatements

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

The implementation of GASB 101 resulted in recognizing an additional compensated absences liabilities of \$2,453,668 in governmental activities at July 1, 2024. These amounts also impacted beginning net position for the cumulative effect of additional compensated absences expense. (See Note 3).

The net pension liability (NPL) is one of the larger liabilities reported by the School District at June 30, 2025. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded

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portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Each year, the above referenced changes impact the balance of the net pension/OPEB asset/liability and the related deferred inflows and outflows. During fiscal year 2025, the net pension liability and the net OPEB asset/liability decreased for both STRS and SERS. These changes primarily resulted from increased investment earnings. The increase in deferred outflows for pension primarily results from the difference between expected and actual experience amounts recognized in 2025 for STRS, offset by the amortization recognized in the current year for both STRS and SERS. The increase in deferred inflows for pension resulted from the difference between projected and actual earning on investments recognized in the current year offset by the amortization recognized in the current year. The changes in deferred outflows/inflows for OPEB were not significant.

The increase in current and other assets is primarily due to increases in various cash-related assets. The increase in cash and cash equivalents is due to continued support from the taxpayers of the School District, while prudent fiscal management has allowed the School District to accumulate these resources to allow for financial flexibility and future initiatives. The School District has also benefitted from the performance of its investment portfolio. The increase in investments with fiscal and escrow agents is related to the annual contributions made by the School District for the eventual maturity of the Qualified Zone Academy Bonds. Cash and cash equivalents with fiscal agents represent the School District's balance with Jefferson Health Plan for the self-insurance program. The net cash used for operating the self-insurance program has reduced the cash balance by 69 percent since the beginning of fiscal year 2024. The decrease in intergovernmental receivable related to the conclusion of Elementary and Secondary School Emergency Relief Funding (ESSER) was offset by an increase in accounts receivable related to the reimbursement of project costs for the school based health center project from Ohio Hills Health Services. Completion of previous construction in progress project, along with the commencement of the school based health center project, along with other capital asset additions addressed later in this Discussion and Analysis exceed annual depreciation/amortization expense.

Current and other liabilities reflected a modest increase from the prior year, predominately related to accrued wages and benefits, and intergovernmental payable amounts related to those employee wages. Long-term liabilities were predominately impacted by decreases in net pension liability and the net OPEB liability, as previously analyzed. The long-term liability for compensated absences calculated under GASB

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101, totaling nearly \$3.6 million, represents a slight increase over the restated amount following implementation.

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

Table 2
Changes in Net Position

	2025	2024	Change
Revenues			
Program Revenue:			
Charges for Services and Sales	\$718,437	\$1,038,469	(\$320,032)
Operating Grants and Contributions	3,154,900	3,540,696	(385,796)
Capital Grants and Contributions	445,588	0	445,588
<i>Total Program Revenue</i>	<u>4,318,925</u>	<u>4,579,165</u>	<u>(260,240)</u>
General Revenues:			
Property Taxes	8,719,995	8,387,326	332,669
Grants and Entitlements	8,732,596	8,723,663	8,933
Investments Earnings	1,819,443	1,484,257	335,186
Other Items	167,465	54,306	113,159
<i>Total General Revenue</i>	<u>19,439,499</u>	<u>18,649,552</u>	<u>789,947</u>
<i>Total Revenues</i>	<u>23,758,424</u>	<u>23,228,717</u>	<u>529,707</u>
Program Expenses			
Instruction:			
Regular	\$7,122,096	\$7,377,463	(\$255,367)
Special	3,851,788	3,889,947	(38,159)
Vocational	104,148	107,972	(3,824)
Student Intervention Services	154,567	197,363	(42,796)
Support Services:			
Pupils	1,106,576	1,115,213	(8,637)
Instructional Staff	453,519	289,799	163,720
Board of Education	13,682	24,848	(11,166)
Administration	1,572,110	1,428,200	143,910
Fiscal	704,016	690,945	13,071
Business	31,745	23,156	8,589
Operation and Maintenance of Plant	1,848,016	2,001,404	(153,388)
Pupil Transportation	1,310,274	1,343,233	(32,959)
Central	104,462	99,469	4,993
Operation of Non-Instructional Services	17,071	3,295	13,776
Food Service Operations	774,609	681,004	93,605
Extracurricular Activities	729,462	647,152	82,310
Interest	2,151	2,865	(714)
<i>Total Expenses</i>	<u>\$19,900,292</u>	<u>\$19,923,328</u>	<u>(\$23,036)</u>

(Continued)

Bellaire Local School District
Management's Discussion and Analysis
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Table 2
Changes in Net Position (Continued)

	2025	2024	Change
Change in Net Position	\$3,858,132	\$3,305,389	\$552,743
<i>Net Position Beginning of Year -</i>			
<i>as Previously Reported</i>	37,779,181	34,473,792	3,305,389
Restatement - Implementation of GASB 101	(2,453,668)	0	(2,453,668)
<i>Restated Net Position Beginning of Year</i>	35,325,513	34,473,792	851,721
<i>Net Position End of Year</i>	<u>\$39,183,645</u>	<u>\$37,779,181</u>	<u>\$1,404,464</u>

New Accounting Pronouncement/Restatements

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

In fiscal year 2025, 37 percent of the School District's total revenues were from property taxes, and 37 percent were from unrestricted grants and entitlements. Property tax revenue increased from the prior year, primarily due to an increase in assessed valuation, while unrestricted grants and entitlements (State Foundation Funding) remained essentially the same. Investment earnings continue to increase due to positive market returns, and prudent investment decisions.

Charges for services and sales decreased, primarily due to a decrease in General Fund tuition and fees. Operating grants and contributions decreased, primarily due to the conclusion of ESSER funding. The capital grants and contributions amount represents a reimbursement from Ohio Hills Health Services for construction costs associated with the school based health clinic.

Instruction comprises approximately 56 percent of total governmental program expenses. Of the instructional expenses, approximately 63 percent is for regular instruction, approximately 34 percent is for special instruction. Program expenses for fiscal year 2025 were impacted, in part, by an increase in depreciation/amortization; an increase in losses on disposal of capital assets; an increase in the operating loss of the self-insurance internal service fund; and a decrease in pension/OPEB expense.

The Statement of Activities shows the cost of program services and the charges for services and sales, operating grants and contributions, and interest earnings offsetting those services. Table 3 shows the total cost of services and the net cost of services for fiscal year 2025 and the fiscal year 2024 information. In other words, it identifies the cost of those services supported by tax revenue and unrestricted entitlements.

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Table 3

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
Program Expenses				
Instruction:				
Regular	\$7,122,096	\$7,377,463	\$6,278,414	\$5,993,761
Special	3,851,788	3,889,947	2,092,488	2,116,364
Vocational	104,148	107,972	102,929	106,144
Student Intervention Services	154,567	197,363	153,716	195,907
Support Services:				
Pupils	1,106,576	1,115,213	973,692	930,153
Instructional Staff	453,519	289,799	437,081	268,973
Board of Education	13,682	24,848	13,682	24,848
Administration	1,572,110	1,428,200	1,519,739	1,359,755
Fiscal	704,016	690,945	704,016	690,945
Business	31,745	23,156	31,745	23,156
Operation and Maintenance of Plant	1,848,016	2,001,404	1,725,266	1,807,944
Pupil Transportation	1,310,274	1,343,233	1,310,274	1,343,233
Central	104,462	99,469	104,462	99,469
Operation of Non-Instructional Services	17,071	3,295	(428,517)	3,295
Food Service Operations	774,609	681,004	194,947	97,275
Extracurricular Activities	729,462	647,152	365,282	280,076
Interest	2,151	2,865	2,151	2,865
Total Expenses	\$19,900,292	\$19,923,328	\$15,581,367	\$15,344,163

The dependence upon tax revenues and state subsidies for governmental activities is apparent as approximately 78 percent of expenses are supported through taxes and other general revenues.

The School District's Funds

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

The General Fund's balance decreased \$15,267,625 during the fiscal year. General Fund total revenues increased from the prior year, with increases in property taxes and investment earnings contributing to the majority of the increase. Total expenditures increased in roughly the same proportion as total revenues, however total revenues still vastly exceeded total expenditures. The notable decrease in General Fund balance is due to the \$18.5 million transfer to the Capital Projects Fund.

The Schoolwide Pool Special Revenue Fund had revenues in the amount of \$667,732 and expenditures in the amount of \$2,634,502. Overall, including other financing sources, the Schoolwide Pool Special Revenue Fund had no change in fund balance. The operations of the schoolwide pool were essentially unchanged from the prior year.

The Capital Projects Fund continues to accumulate resources in anticipation the construction of a new facility that will be connected to the high school. The fund received an additional \$18.5 million transfer from the General Fund during the fiscal year.

Bellaire Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During fiscal year 2025, the School District made no changes to its budgeted amounts for estimated resources, but there were amendments made to the appropriations throughout the year. Actual revenues were higher than estimated as increased in interest earned by the funds along with increased State Funding and tuition and fees offset lower than certified amount of property taxes. Actual expenditures were in line with budgeted amounts for almost all categories.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2025 the School District had \$22,309,043 invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles, infrastructure, and intangible right to use (lease) equipment assets. Table 4 shows fiscal year 2025 balances compared to fiscal year 2024:

Table 4 - Capital Assets Net of Depreciation/Amortization

	2025	2024
Land	\$812,523	\$812,523
Construction in Progress	436,426	301,238
Land Improvements	2,043,240	1,380,129
Buildings and Improvements	16,430,946	16,605,210
Furniture and Equipment	929,112	762,758
Vehicles	1,025,806	1,084,356
Infrastructure	589,452	612,726
Intangible Right to Use - Equipment	41,538	64,616
Totals	<u>\$22,309,043</u>	<u>\$21,623,556</u>

Capital asset activity for the year includes the completion the High School Roof, and Nelson Field Lighting Projects; ongoing construction of a school based health clinic; a building purchase to be used for the maintenance department; paving the bus garage parking lot; security camera upgrades; upgrades to HVAC systems; a new school bus; and other furniture, fixtures, and equipment.

For more information on capital assets see Note 9 to the basic financial statements.

Debt

At June 30, 2025 the School District had \$6,000,000 in general obligation bonds outstanding. The amount represents the 2015 Qualified Zone Academy Bonds (QZAB), which will be paid off in one installment from the balance of the debt service sinking escrow account held by a fiscal agent. The School District also has \$43,825 of lease payable related to copiers, with \$18,993 due within one year. See Note 14 for more information on the QZAB, lease payable and the School District's other long-term obligations, including compensated absences, net pension liability, and net OPEB liability.

Bellaire Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

Economic Factors

The mission statement of the Bellaire Local School District is to “Strive to develop students who will become productive citizens in both school and later in the community. These students will be given the opportunity to develop healthy self-esteem, respectful attitudes, and a skill base that will prepare them to be successful adults.” Approximately 70 percent of the School District’s students are economically disadvantaged, and 20 percent are identified as students with disabilities.

Due to the School District’s focus on alignment, State assessment data, and the improvement of students’ State test scores, the School District has a full-time instructional coach for curriculum development. The School District has implemented a one-to-one computer program to assist with additional curriculum enhancements, which will increase student achievement on State Report Cards as well as other State accountability measures.

The Board of Education restored the School Resource Officer program district-wide beginning in fiscal year 2018. The School District has also added additional safety and security enhancements of the School campus. The district continues to increase safety and security throughout the district. The School District has also added mental health supports for students paid for by Student Wellness funding.

The School District continues to upgrade technology in the classroom for students and teachers. This School District is also investing in “Project Lead the Way”, to offer 21st learning and around STEM and Engineering. The School District continues to improve facilities and remedy learning loss with students due to the coronavirus.

In November 2023, the voters of the School District renewed the Emergency Levy that was first passed in 2017. This will be needed to continue current staffing levels; support enhanced curriculum including art, physical education, and music programs.

The School District added a new foundational skills program and updated curriculum in the ELA area. The School District expanded the career tech with the Industrial Arts program by adding a CNC Plasma machine, expanded the tutoring of students to assist with learning loss experience in the district and added virtual reality headsets to all three buildings and an Anatomage table at the High School. Robotics have been added at the Middle School and High School.

Contacting the School District’s Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. If you have questions about this report or need additional financial information contact Cathy Moore, Treasurer/CFO at Bellaire Local School District, 340 34th Street, Bellaire, Ohio 43906.

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Bellaire Local School District*Statement of Net Position**June 30, 2025*

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$32,847,379
Cash and Cash Equivalents with Fiscal Agents	167,484
Intergovernmental Receivable	548,988
Accrued Interest Receivable	122,741
Prepaid Items	13,390
Materials and Supplies Inventory	70,699
Property Taxes Receivable	10,813,759
Accounts Receivable	556,004
Investments with Fiscal and Escrow Agents	4,281,198
Net OPEB Asset	840,001
Non-Depreciable Capital Assets	1,248,949
Depreciable Capital Assets, Net	21,060,094
<i>Total Assets</i>	<u>72,570,686</u>
Deferred Outflows of Resources	
Pension	2,883,861
OPEB	519,894
<i>Total Deferred Outflows of Resources</i>	<u>3,403,755</u>
Liabilities	
Accounts Payable	73,114
Unearned Revenue	5,037
Accrued Wages and Benefits Payable	1,272,208
Intergovernmental Payable	496,766
Vacation Benefits Payable	104,897
Claims Payable	447,819
Long-Term Liabilities:	
Due Within One Year	557,287
Due In More Than One Year:	
Net Pension Liability	11,183,353
Net OPEB Liability	532,337
Other Amounts	9,065,700
<i>Total Liabilities</i>	<u>23,738,518</u>
Deferred Inflows of Resources	
Property Taxes	9,623,702
Pension	1,619,958
OPEB	1,808,618
<i>Total Deferred Inflows of Resources</i>	<u>13,052,278</u>
Net Position	
Net Investment in Capital Assets	16,265,218
Restricted for:	
Capital Projects	1,248,505
Debt Service	4,281,198
Classroom Facilities Maintenance	614,638
Federal Programs	10,862
Student Activity Programs	67,281
Other Purposes	466,824
OPEB Plan	840,001
Unrestricted	15,389,118
<i>Total Net Position</i>	<u>\$39,183,645</u>

See accompanying notes to the basic financial statements

Bellaire Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction:					
Regular	\$7,122,096	\$298,547	\$545,135	\$0	(\$6,278,414)
Special	3,851,788	0	1,759,300	0	(2,092,488)
Vocational	104,148	0	1,219	0	(102,929)
Student Intervention Services	154,567	0	851	0	(153,716)
Support Services:					
Pupils	1,106,576	0	132,884	0	(973,692)
Instructional Staff	453,519	0	16,438	0	(437,081)
Board of Education	13,682	0	0	0	(13,682)
Administration	1,572,110	0	52,371	0	(1,519,739)
Fiscal	704,016	0	0	0	(704,016)
Business	31,745	0	0	0	(31,745)
Operation and Maintenance of Plant	1,848,016	6,773	115,977	0	(1,725,266)
Pupil Transportation	1,310,274	0	0	0	(1,310,274)
Central	104,462	0	0	0	(104,462)
Operation of Non-Instructional Services	17,071	0	0	445,588	428,517
Food Service Operations	774,609	48,937	530,725	0	(194,947)
Extracurricular Activities	729,462	364,180	0	0	(365,282)
Interest	2,151	0	0	0	(2,151)
<i>Total Governmental Activities</i>	<u>\$19,900,292</u>	<u>\$718,437</u>	<u>\$3,154,900</u>	<u>\$445,588</u>	<u>(15,581,367)</u>
General Revenues					
Property Taxes Levied for:					
General Purposes					7,786,962
Capital Outlay					933,033
Grants and Entitlements not Restricted to Specific Programs					8,732,596
Gifts and Donations not Restricted to Specific Programs					49,009
Investment Earnings/Interest					1,819,443
Miscellaneous					118,456
<i>Total General Revenues</i>					<u>19,439,499</u>
Change in Net Position					<u>3,858,132</u>
<i>Net Position Beginning of Year - as Previously Reported</i>					37,779,181
Restatement—Implementation of GASB 101 (See Note 3)					<u>(2,453,668)</u>
<i>Restated Net Position Beginning of Year</i>					<u>35,325,513</u>
<i>Net Position End of Year</i>					<u><u>\$39,183,645</u></u>

See accompanying notes to the basic financial statements

Bellaire Local School District

Balance Sheet

Governmental Funds

June 30, 2025

	General	Schoolwide Pool	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$7,095,527	\$0	\$23,201,845	\$2,347,562	\$32,644,934
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	7,293	0	0	0	7,293
Investments with Fiscal and Escrow Agents	0	0	0	4,281,198	4,281,198
Receivables:					
Accrued Interest	122,741	0	0	0	122,741
Property Taxes	9,692,274	0	0	1,121,485	10,813,759
Intergovernmental	324,009	0	0	224,979	548,988
Interfund	478,359	351,728	0	0	830,087
Accounts	0	0	0	445,588	445,588
Prepaid Items	13,095	0	0	295	13,390
Materials and Supplies Inventory	61,230	0	0	9,469	70,699
<i>Total Assets</i>	<u>\$17,794,528</u>	<u>\$351,728</u>	<u>\$23,201,845</u>	<u>\$8,430,576</u>	<u>\$49,778,677</u>
Liabilities					
Accounts Payable	\$65,389	\$0	\$0	\$7,725	\$73,114
Accrued Wages and Benefits Payable	868,645	312,813	0	90,750	1,272,208
Interfund Payable	219,867	0	0	610,220	830,087
Intergovernmental Payable	446,001	38,915	0	11,850	496,766
Unearned Revenue	0	0	0	5,037	5,037
<i>Total Liabilities</i>	<u>1,599,902</u>	<u>351,728</u>	<u>0</u>	<u>725,582</u>	<u>2,677,212</u>
Deferred Inflows of Resources					
Property Taxes	8,599,808	0	0	1,023,894	9,623,702
Unavailable Revenue	1,094,908	0	0	93,667	1,188,575
<i>Total Deferred Inflows of Resources</i>	<u>9,694,716</u>	<u>0</u>	<u>0</u>	<u>1,117,561</u>	<u>10,812,277</u>
Fund Balances					
Nonspendable					
Inventories	61,230	0	0	9,469	70,699
Prepaid	13,095	0	0	295	13,390
Unclaimed Monies	7,293	0	0	0	7,293
Restricted for:					
Capital Projects	0	0	0	1,177,243	1,177,243
Debt Service	0	0	0	4,281,198	4,281,198
Classroom Facilities Maintenance	0	0	0	614,638	614,638
Federal Programs	0	0	0	1,138	1,138
Student Activity Programs	0	0	0	67,281	67,281
Other Purposes	0	0	0	466,824	466,824
Committed to:					
Termination Benefits	200,090	0	0	0	200,090
Capital Projects	0	0	23,201,845	0	23,201,845
Assigned to Purchases on Order	12,180	0	0	0	12,180
Unassigned (Deficit)	6,206,022	0	0	(30,653)	6,175,369
<i>Total Fund Balances</i>	<u>6,499,910</u>	<u>0</u>	<u>23,201,845</u>	<u>6,587,433</u>	<u>36,289,188</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$17,794,528</u>	<u>\$351,728</u>	<u>\$23,201,845</u>	<u>\$8,430,576</u>	<u>\$49,778,677</u>

See accompanying notes to the basic financial statements

Bellaire Local School District
*Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
June 30, 2025*

Total Governmental Fund Balances	\$36,289,188
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*Amounts reported for governmental activities in the
Statement of Net Position are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	22,309,043
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Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Intergovernmental Revenues	21,180	
Delinquent Property Taxes	883,013	
Tuition and Fees Revenues	283,157	
Contributions and Donations	<u>1,225</u>	
Total		1,188,575

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.

25,233

Vacation benefits payable is recognized for earned vacation benefits that are not expected to be paid with expendable available financial resources are therefore are not reported in the funds.

(104,897)

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

Qualified Zone Academy Bonds	6,000,000	
Lease Payable	43,825	
Compensated Absences	<u>3,579,162</u>	
Total		(9,622,987)

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

Net OPEB Asset	840,001	
Deferred Outflows - Pension	2,883,861	
Deferred Outflows - OPEB	519,894	
Net Pension Liability	(11,183,353)	
Net OPEB Liability	(532,337)	
Deferred Inflows - Pension	(1,619,958)	
Deferred Inflows - OPEB	<u>(1,808,618)</u>	
Total		(10,900,510)

<i>Net Position of Governmental Activities</i>	<u><u>\$39,183,645</u></u>
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See accompanying notes to the basic financial statements

Bellaire Local School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

	General	Schoolwide Pool	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$7,763,179	\$0	\$0	\$943,264	\$8,706,443
Intergovernmental	9,931,942	667,732	0	1,293,561	11,893,235
Investment Earnings/Interest	1,596,783	0	0	208,456	1,805,239
Tuition and Fees	378,304	0	0	0	378,304
Extracurricular Activities	60,430	0	0	303,750	364,180
Rent and Royalties	6,773	0	0	0	6,773
Gifts and Donations	2,500	0	0	490,872	493,372
Charges for Services	2,862	0	0	48,937	51,799
Miscellaneous	75,289	0	0	43,167	118,456
<i>Total Revenues</i>	<u>19,818,062</u>	<u>667,732</u>	<u>0</u>	<u>3,332,007</u>	<u>23,817,801</u>
Expenditures					
Current:					
Instruction:					
Regular	4,391,640	1,663,723	0	275,236	6,330,599
Special	2,715,100	764,153	0	397,213	3,876,466
Vocational	105,113	0	0	0	105,113
Student Intervention Services	153,716	0	0	851	154,567
Support Services:					
Pupil	814,671	0	0	314,538	1,129,209
Instructional Staff	355,479	0	0	23,656	379,135
Board of Education	22,479	0	0	0	22,479
Administration	1,349,191	206,626	0	0	1,555,817
Fiscal	681,864	0	0	17,961	699,825
Business	8,667	0	0	0	8,667
Operation and Maintenance of Plant	1,875,299	0	0	609,570	2,484,869
Pupil Transportation	1,240,914	0	0	7,006	1,247,920
Central	103,268	0	0	0	103,268
Operation of Non-Instructional Services	17,071	0	0	0	17,071
Food Service Operations	126	0	0	778,851	778,977
Extracurricular Activities	338,990	0	0	275,370	614,360
Capital Outlay	18,711	0	0	1,226,838	1,245,549
Debt Service:					
Principal Retirement	18,249	0	0	0	18,249
Interest	2,151	0	0	0	2,151
<i>Total Expenditures</i>	<u>14,212,699</u>	<u>2,634,502</u>	<u>0</u>	<u>3,927,090</u>	<u>20,774,291</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,605,363</u>	<u>(1,966,770)</u>	<u>0</u>	<u>(595,083)</u>	<u>3,043,510</u>
Other Financing Sources (Uses)					
Transfers In	0	1,966,770	18,500,000	406,218	20,872,988
Transfers Out	(20,872,988)	0	0	0	(20,872,988)
<i>Total Other Financing Sources (Uses)</i>	<u>(20,872,988)</u>	<u>1,966,770</u>	<u>18,500,000</u>	<u>406,218</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(15,267,625)</u>	<u>0</u>	<u>18,500,000</u>	<u>(188,865)</u>	<u>3,043,510</u>
<i>Fund Balances Beginning of Year, As Previously Reported</i>	21,767,535	0	4,701,845	5,176,583	33,245,678
<i>Adjustment – Change from Nonmajor Fund to Major Fund (See Note 3)</i>	-	-	-	1,599,715	0
<i>Adjusted Fund Balances Beginning of Year</i>	<u>21,767,535</u>	<u>0</u>	<u>4,701,845</u>	<u>6,776,298</u>	<u>33,245,678</u>
<i>Fund Balances End of Year</i>	<u>\$6,499,910</u>	<u>\$0</u>	<u>\$23,201,845</u>	<u>\$6,587,433</u>	<u>\$36,289,188</u>

See accompanying notes to the basic financial statements

Bellaire Local School District
*Reconciliation of the Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2025*

Net Change in Fund Balances - Total Governmental Funds \$3,043,510

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period.

Capital Outlay	2,252,411	
Current Year Depreciation/Amortization	(1,430,739)	
Total		821,672

Capital Assets removed from the capital asset account on the Statement of Net Position in a loss on disposal of capital assets on the Statement of Activities. (136,185)

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

Intergovernmental Revenues	(5,739)	
Delinquent Property Taxes	13,552	
Tuition and Fees Revenues	(82,619)	
Contributions and Donations	1,225	
Total		(73,581)

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

Lease Payable		18,249
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Vacation Benefits Payable	(28,849)	
Compensated Absences	(25,438)	
Total		(54,287)

The internal service fund used by management to charge the costs of insurance to individual funds is included in the Statement of Activities and not on the governmental fund statements. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among governmental activities. (540,677)

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

Pension	1,218,991	
OPEB	35,625	
Total		1,254,616

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

Pension	(720,543)	
OPEB	245,358	
Total		(475,185)

<i>Change in Net Position of Governmental Activities</i>		<u><u>\$3,858,132</u></u>
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See accompanying notes to the basic financial statements

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

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Property Taxes	\$8,254,196	\$8,254,196	\$7,794,709	(\$459,487)
Intergovernmental	9,625,500	9,625,500	9,891,106	265,606
Interest	500,000	500,000	1,066,893	566,893
Tuition and Fees	300,000	300,000	378,304	78,304
Rent and Royalties	0	0	6,773	6,773
Charges for Services	3,000	3,000	2,862	(138)
Miscellaneous	60,000	60,000	75,289	15,289
<i>Total Revenues</i>	<u>18,742,696</u>	<u>18,742,696</u>	<u>19,215,936</u>	<u>473,240</u>
Expenditures				
Current:				
Instruction:				
Regular	4,476,452	6,807,389	4,378,253	2,429,136
Special	1,399,000	2,653,000	2,652,391	609
Vocational	55,000	92,000	91,217	783
Student Intervention Services	266,000	441,000	153,716	287,284
Support Services:				
Pupils	490,000	814,000	813,150	850
Instructional Staff	209,000	348,000	347,001	999
Board of Education	13,000	22,000	21,498	502
Administration	770,000	1,279,053	1,278,280	773
Fiscal	400,000	663,000	662,595	405
Business	17,000	30,000	29,067	933
Operation and Maintenance of Plant	1,141,000	1,893,210	1,885,404	7,806
Pupil Transportation	748,000	1,243,000	1,242,015	985
Central	62,000	104,000	103,268	732
Operation of Non-Instructional Services	2,000	3,800	3,717	83
Extracurricular Activities	207,000	345,000	344,047	953
Capital Outlay	14,000	23,000	22,511	489
<i>Total Expenditures</i>	<u>10,269,452</u>	<u>16,761,452</u>	<u>14,028,130</u>	<u>2,733,322</u>
<i>Excess of Revenues Over Expenditures</i>	<u>8,473,244</u>	<u>1,981,244</u>	<u>5,187,806</u>	<u>3,206,562</u>
Other Financing Sources (Uses)				
Advances Out	(269,000)	(446,000)	(445,588)	412
Transfers Out	(12,631,000)	(20,962,000)	(20,961,080)	920
<i>Total Other Financing Sources (Uses)</i>	<u>(12,900,000)</u>	<u>(21,408,000)</u>	<u>(21,406,668)</u>	<u>1,332</u>
<i>Net Change in Fund Balance</i>	<u>(4,426,756)</u>	<u>(19,426,756)</u>	<u>(16,218,862)</u>	<u>3,207,894</u>
<i>Fund Balance Beginning of Year</i>	22,987,563	22,987,563	22,987,563	0
<i>Prior Year Encumbrances Appropriated</i>	<u>169,452</u>	<u>169,452</u>	<u>169,452</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$18,730,259</u>	<u>\$3,730,259</u>	<u>\$6,938,153</u>	<u>\$3,207,894</u>

See accompanying notes to the basic financial statements

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

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular	1,775,197	1,775,197	1,636,931	138,266
Special	781,900	781,900	781,533	367
Support Services:				
Administration	211,100	211,100	211,045	55
<i>Total Expenditures</i>	2,768,197	2,768,197	2,629,509	138,688
<i>Excess of Revenues Under Expenditures</i>	(2,768,197)	(2,768,197)	(2,629,509)	138,688
Other Financing Sources				
Transfers In	2,974,761	2,974,761	2,619,399	(355,362)
<i>Net Change in Fund Balance</i>	206,564	206,564	(10,110)	(216,674)
<i>Fund Balance Beginning of Year</i>	(206,564)	(206,564)	(206,564)	0
<i>Fund Balance End of Year</i>	\$0	\$0	(\$216,674)	(\$216,674)

See accompanying notes to the basic financial statements

Bellaire Local School District
Statement of Fund Net Position
Internal Service Fund
June 30, 2025

	<u>Self-Insurance</u>
Current Assets	
Equity in Pooled Cash and Cash Equivalents	\$195,152
Cash and Cash Equivalents with Fiscal Agents	167,484
Accounts Receivable	<u>110,416</u>
 <i>Total Assets</i>	 <u>473,052</u>
 Current Liabilities	
Claims Payable	<u>447,819</u>
 Net Position	
Unrestricted	<u>25,233</u>
 <i>Total Net Position</i>	 <u><u>\$25,233</u></u>

See accompanying notes to the basic financial statements

Bellaire Local School District
Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Fund
For the Fiscal Year Ended June 30, 2025

	<u>Self-Insurance</u>
Operating Revenues	
Charges for Services	\$3,360,007
Other Revenues	<u>224,171</u>
<i>Total Operating Revenues</i>	<u>3,584,178</u>
Operating Expenses	
Purchased Services	1,048,445
Claims	<u>3,090,614</u>
<i>Total Operating Expenses</i>	<u>4,139,059</u>
<i>Operating Loss</i>	(554,881)
Non-Operating Revenues	
Investment Earnings/Interest	<u>14,204</u>
<i>Change in Net Position</i>	(540,677)
<i>Net Position Beginning of Year</i>	<u>565,910</u>
<i>Net Position End of Year</i>	<u><u>\$25,233</u></u>

See accompanying notes to the basic financial statements

Bellaire Local School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2025

	<u>Self-Insurance</u>
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Interfund Services Provided	\$3,360,007
Other Operating Revenues	1,377,614
Cash Payments for Services	(1,048,445)
Cash Payments for Claims	<u>(4,129,328)</u>
<i>Net Cash Used for Operating Activities</i>	<u>(440,152)</u>
Cash Flows from Investing Activities	
Interest	<u>14,204</u>
<i>Net Cash Provided by Investing Activities</i>	<u>14,204</u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(425,948)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>788,584</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$362,636</u></u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	(\$554,881)
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	100,813
Increase in Claims Payable	<u>13,916</u>
<i>Net Cash Used for Operating Activities</i>	<u><u>(\$440,152)</u></u>

See accompanying notes to the basic financial statements

Bellaire Local School District
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2025

	Private Purpose Trust
Assets	
Equity in Pooled Cash and Cash Equivalents	\$546,782
Investments	<u>5,000</u>
<i>Total Assets</i>	<u>551,782</u>
Net Position	
Held in Trust for Scholarships	<u>551,782</u>
<i>Total Net Position</i>	<u><u>\$551,782</u></u>

See accompanying notes to the basic financial statements

Bellaire Local School District
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2025

	Private Purpose Trust
Additions	
Investment Earnings/Interest	\$17,825
Deductions	
Payments in Accordance with Trust Agreements	11,000
<i>Change in Net Position</i>	6,825
<i>Net Position Beginning of Year</i>	544,957
<i>Net Position End of Year</i>	<u>\$551,782</u>

See accompanying notes to the basic financial statements

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Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Bellaire Local School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State Statute and federal guidelines.

The School District was established in 1839 when Jacob Davis Jr. became the first school teacher in Bellaire. The first schoolhouse was also erected in 1839. The current district was originally made up of schools in Bellaire, Key, Pultney and other outlying areas and one-room schools. The final consolidation of these districts was in January 1960 when the Key-Pultney District joined the Bellaire District. The Bellaire School District consolidated again in 2001 when seven elementary and middle school buildings were closed and the district moved to two new facilities. Bellaire Elementary School consists of grades kindergarten through fourth; Bellaire Middle School encompasses grades five through eight and Bellaire High School houses grades nine through twelve. The School District encompasses 48 square miles of rolling hills and small communities in Belmont County. The District's eastern border is the Ohio River. The School District is staffed by 59 non-certificated employees, 83 full-time teaching personnel and 12 administrative employees who provide services to 1,127 students and other community members. The School District currently operates 3 instructional buildings, 1 administrative building, 2 maintenance buildings, and 1 bus garage.

Reporting Entity:

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. No separate governmental units meet the criteria for inclusion as a component units.

The School District is involved with seven organizations; three jointly governed organizations, two insurance purchasing pools, one risk-sharing, claims servicing, and insurance purchasing pool, and one related organization. These organizations include the Belmont-Harrison Vocational School District, the Ohio Mid-Eastern Regional Educational Service Agency Information Technology Center Regional Council of Governments, the Coalition of Rural and Appalachian Schools, the Ohio School Boards Association Workers' Compensation Group Rating Plan, the Schools of Ohio Risk Sharing Authority, the Jefferson Health Plan Self-Insurance Plan, and the Bellaire Public Library. These organizations are presented in Notes 17, 18, and 19.

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Bellaire Local School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described below.

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the stand-alone government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts, or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School District, however, has no business-type activities.

The statement of net position presents the financial condition of the governmental activities of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department, and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants, contributions, and interest that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into three categories: governmental, proprietary, and fiduciary.

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

General Fund - The General Fund accounts for and reports for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the School District for any purpose, provided it is expended and transferred according to the general laws of Ohio.

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

Capital Projects Fund - The Capital Projects Fund is used to account for General Fund transfers and other financial resources that are to be committed for the acquisition, construction, or improvement of capital assets, for various capital projects in accordance with Ohio Revised Code Section 5705.13(C).

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

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service. The School District has no enterprise funds.

Internal Service Fund - The Internal Service Fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for the operation of the School District's self-insurance program for employee medical, prescription drugs and dental claims.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into the following four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that has certain characteristics. The School District has a private purpose trust fund which accounts for various college scholarships for students. Custodial Funds are used to report fiduciary activities that are not required to be reported in a trust fund.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities, and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

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

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes and grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, interest, tuition, grants, fees, and charges for services.

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Unearned revenue represents amounts under the accrual and modified accrued basis of accounting for which assets recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned. The School District recognizes unearned revenue for grants resources transmitted before eligibility requirements are met.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB plans. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 11 and 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2025, but which were levied to finance fiscal year 2026 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental fund's balance sheet and represents receivables that will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, and tuition and fees. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 18. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 11 and 12)

Expenses/Expenditures On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents". The School District utilizes a self-insurance third party administrator to review and pay claims. Money, if any, held by the administrator is presented as "Cash and Cash Equivalents with Fiscal Agents".

During fiscal year 2025, investments were limited to STAR Ohio, mutual funds, negotiable certificates of deposit, commercial paper, United States Treasuries, and United States Agency Securities. Except for nonparticipating investment contracts and STAR Ohio, investments are reported at fair value. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

STAR Ohio (the State Treasury Asset Reserve of Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, Certain External Investment Pools and Pool

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Participants. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment earnings credited to the general fund during 2025 amounted to \$1,596,783 which includes \$1,205,348 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as Equity in Pooled Cash and Cash Equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the General Fund include unclaimed monies legally required to be maintained until the end of a five-year holding period. Restricted assets in the Debt Service Fund represent amounts in a fiscal agent account restricted by debt covenants for future debt service payments.

Prepaid Items

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

Inventory

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

Capital Assets

All capital assets (except for intangible right to use lease assets which are discussed below) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	5-50 Years
Buildings and Improvements	20-50 Years
Furniture and Equipment	5-20 Years
Vehicles	5-20 Years

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

Interfund Balances

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

Compensated Absences

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

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

The School District records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service. Since the School District's policy limits the accrual of vacation time to the amount accrued in one year, the outstanding liability is recorded as "accrued vacation leave payable" on the statement of net position rather than as a long-term liability.

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

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees who have accumulated unpaid leave are paid.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

Leases Payable

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

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits. Bonds, leases, subscriptions payable and long-term loans are recognized as a liability on the governmental fund financial statements when due.

Interfund Activity

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

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Fund Balance

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

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

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

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Education. Those committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for the use in satisfying those contractual requirements. For fiscal year 2025, the School District has a committed fund balance for termination benefits and capital projects.

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Education or a School District official delegated that authority by resolution or State statute. State statute authorizes the School District's Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Of the restricted net position, none has resulted from enabling legislation. The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Restricted net position for unclaimed monies represents amounts required to be maintained until the end of a five-year holding period, offset by any estimated liability for payments to claimants. Restricted net position for OPEB plans represents the corresponding restricted asset amounts held in trust by the OPEB plans for future benefits.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Revenues and expenses not meeting this definition are reported as non-operating.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer maintains budgetary information at the function and object level and has the authority to allocate appropriations to the function and object level.

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

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

NOTE 3 - ACCOUNTING CHANGES

Change in Accounting Principles

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

GASB 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs such an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. For the School District, GASB Statement No. 101 increased the compensated absences liability and the cumulative effects of compensated absence related expense decreased beginning net position. This change in accounting principle is separately displayed by reporting unit in the accompanying financial statements.

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

Changes to or within the Financial Reporting Entity

For fiscal year 2025, the Permanent Improvement Capital Projects Fund presentation was adjusted from major to nonmajor due to no longer meeting the quantitative threshold for a major fund. This change is separately displayed in the financial statements.

NOTE 4 - FUND DEFICIT

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

Miscellaneous Federal Grants	\$11,456
Food Service Fund	1,101
Miscellaneous State Grants	<u>8,332</u>
Total Fund Deficits	<u><u>\$20,889</u></u>

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

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual – for the General Fund and Schoolwide Pool Special Revenue Fund are presented

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

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

Adjustments necessary to convert the results of operations at the end of the fiscal year on the Budget basis to the GAAP basis are as follows:

Net Change in Fund Balance		
	General	Schoolwide Pool
GAAP Basis	(\$15,267,625)	\$0
Revenue Accruals	(1,113,963)	(667,732)
Transfers In	0	652,629
Change in Market Value:		
Beginning of Fiscal Year	373,440	0
Ending of Fiscal Year	138,397	0
Expenditure Accruals	177,632	4,993
Advances Out	(445,588)	0
Transfers Out	(88,092)	0
Perspective Difference	19,117	0
Encumbrances	(12,180)	0
Budget Basis	<u>(\$16,218,862)</u>	<u>(\$10,110)</u>

NOTE 6 - DEPOSIT AND INVESTMENTS

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

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

Bellaire Local School District
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For the Fiscal Year Ended June 30, 2025

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim moneys available for investment at the time of purchase.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District and must be purchased with the expectation that it will be held to maturity.

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At June 30, 2025, the School District's internal service fund had a balance of \$167,484 with Jefferson Health Plan Self-Insurance Plan, a risk-sharing, claims servicing, and insurance purchasing pool (See Note 18). The balance is held by the claims administrator in a pooled account which is representative of numerous entities and therefore cannot be included in the risk disclosures reported by the School District. Disclosures for the Jefferson Health Plan Self-Insurance Plan as a whole may be obtained from the Plan's fiscal agent, the Jefferson County Educational Service Center. To obtain financial information, write to the Jefferson Health Plan Self-Insurance Plan, Treasurer, Jefferson County ESC, Steubenville, Ohio 43952.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2025, \$8,472,808 of the School District's total bank balance of \$8,978,267 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution.

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

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

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of June 30, 2025, the School District had the following investments:

Bellaire Local School District
Notes to the Basic Financial Statements
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Measurement/Investment	Measurement Amount	Maturity	Rating	Percent of Total Investment
Net Asset Value Per Share:				
STAR Ohio	\$4,846,210	30 Days (Average)	AAAm *	16.48%
Fair Value - Level One Input:				
Money Market Mutual Fund	550,862	Less Than 1 Year	AAAm *	1.87%
Fair Value - Level 2 Inputs:				
Commerical Paper	712,887	Less Than 1 Year	A-1 *	2.42%
Negotiable Certificates of Deposit	247,787	Less Than 1 Year	Not Rated	0.84%
Negotiable Certificates of Deposit	67,681	Less Than 2 Years	Not Rated	0.23%
Negotiable Certificates of Deposit	953,921	Less Than 3 Years	Not Rated	3.24%
Negotiable Certificates of Deposit	1,039,067	Less Than 4 Years	Not Rated	3.53%
Negotiable Certificates of Deposit	235,188	Less Than 5 Years	Not Rated	0.80%
United States Agency Securities	3,828,047	Less Than 1 Year	AA+ *	13.02%
United States Agency Securities	1,774,842	Less Than 2 Years	AA+ *	6.04%
United States Agency Securities	1,420,380	Less Than 3 Years	AA+ *	4.83%
United States Agency Securities	250,918	Less Than 3 Years	Not Rated	0.85%
United States Agency Securities	1,133,874	Less Than 4 Years	AA+ *	3.86%
United States Agency Securities	162,073	Less Than 4 Years	Aa1 **	0.55%
United States Agency Securities	253,040	Less Than 4 Years	Not Rated	0.86%
United States Agency Securities	798,603	Less Than 5 Years	AA+ *	2.72%
United States Agency Securities	293,766	Less Than 5 Years	Aa1 **	1.00%
United States Treasuries	1,285,480	Less Than 1 Year	AA+ *	4.37%
United States Treasuries	3,024,776	Less Than 2 Years	AA+ *	10.31%
United States Treasuries	1,837,625	Less Than 3 Years	AA+ *	6.25%
United States Treasuries	2,014,703	Less Than 4 Years	AA+ *	6.85%
United States Treasuries	2,668,056	Less Than 5 Years	AA+ *	9.08%
<i>Total Fair Value - Level 2 Inputs</i>	<u>24,002,714</u>			
<i>Total Investments</i>	<u>\$29,399,786</u>			<u>100.00%</u>

Investment ratings provided by Standard & Poor's (*) and Moody's Investor Services (**).

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2025. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

At June 30, 2025, the School District had investments with fiscal and escrow agents for the debt service sinking escrow account held by a fiscal agent. See Note 14 for more information.

Interest Rate Risk The School District's investment policy addresses interest rate risk to the extent that it allows the Treasurer to invest funds to a maximum maturity of five years, and allows for the withdrawal of funds from approved public depositories or sale of negotiable instruments prior to maturity.

Bellaire Local School District
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State Statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk The credit ratings for the School District's securities are listed above. Ohio law requires that STAR Ohio maintains the highest rating provided by at least one statistical rating organization and that money market mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State Statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk The School District places no limit on the amount it may invest in any one issuer. The percentage of total investments is listed in the table above.

NOTE 7 - PROPERTY TAXES AND ABATEMENTS

Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar 2025 represents collections of calendar year 2024 taxes. Real property taxes received in calendar year 2025 were levied after April 1, 2024, on the assessed value listed as of January 1, 2024, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State Statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2025 represents collections of calendar year 2024 taxes. Public utility real and tangible personal property taxes received in calendar year 2025 became a lien December 31, 2023, were levied after April 1, 2024, and are collected with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Belmont County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2025, are available to finance fiscal year 2025 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which were measurable as of June 30, 2025 and for which there is an enforceable legal claim. Although total property

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources – property taxes.

The amount available as an advance at June 30, 2025, was \$280,715 in the General Fund, and \$26,329 in the Permanent Improvement Capital Projects Fund. The amount available as an advance at June 30, 2024, was \$312,245 in the General Fund and \$34,793 in the Permanent Improvement Capital Projects Fund.

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

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

	2024 Second Half Collections		2025 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$183,776,260	53.92%	\$222,120,750	58.49%
Public Utility Personal	157,081,430	46.08%	157,645,830	41.51%
Total Assessed Values	<u>\$340,857,690</u>	<u>100.00%</u>	<u>\$379,766,580</u>	<u>100.00%</u>
Tax Rate per \$1,000 of assessed valuation		\$32.05		\$32.05

Tax Abatements

School District property taxes were reduced through an Enterprise Zone Tax Exemption established by Belmont County. This program provides property tax abatements to encourage new investment within an area which overlaps the School District. For fiscal year 2025, School District property tax revenues were reduced \$18,286 by the abatements authorized under the Enterprise Zone Tax Exemption.

NOTE 8 - RECEIVABLES

Receivables at June 30, 2025, consisted primarily of property taxes, intergovernmental receivables arising from entitlements and shared revenues, and accounts (billings for service). All receivables, except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities	
Excess Costs from Other School Districts	\$324,009
Title I-A Improve Basic Programs	119,065
Title II-A Improving Teacher Quality Grant	16,028
ARP IDEA Part B Special Education	78,208
Title V-B Rural and Low-Income	<u>11,678</u>
Total Intergovernmental Receivable	<u>\$548,988</u>

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

NOTE 9 - CAPITAL ASSETS

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

	Balance 6/30/24	Additions	Reductions	Balance 6/30/25
Governmental Activities				
<i>Nondepreciable Capital Assets</i>				
Land	\$812,523	\$0	\$0	\$812,523
Construction in Progress	301,238	843,192	(708,004)	436,426
<i>Total Non-Depreciable Capital Assets</i>	1,113,761	843,192	(708,004)	1,248,949
<i>Depreciable Capital Assets</i>				
<i>Tangible Assets</i>				
Land Improvements	3,153,142	859,185	(191,102)	3,821,225
Buildings and Improvements	39,128,073	868,229	(14,499)	39,981,803
Furniture and Equipment	2,250,083	255,853	0	2,505,936
Vehicles	1,911,486	133,956	(81,402)	1,964,040
Infrastructure	637,939	0	0	637,939
<i>Total Tangible Assets</i>	47,080,723	2,117,223	(287,003)	48,910,943
<i>Intangible Right to Use</i>				
<i>Lease Assets</i>				
Intangible Right to Use - Equipment	92,308	0	0	92,308
<i>Total Depreciable Capital Assets</i>	47,173,031	2,117,223	(287,003)	49,003,251
<i>Less Accumulate Depreciation/Amortization</i>				
<i>Depreciation</i>				
Land Improvements	(1,773,013)	(111,349)	106,377	(1,777,985)
Buildings and Improvements	(22,522,863)	(1,034,108)	6,114	(23,550,857)
Furniture and Equipment	(1,487,325)	(89,499)	0	(1,576,824)
Vehicles	(827,130)	(149,431)	38,327	(938,234)
Infrastructure	(25,213)	(23,274)	0	(48,487)
<i>Total Depreciation</i>	(26,635,544)	(1,407,661)	150,818	(27,892,387)
<i>Amortization</i>				
<i>Intangible Right to Use</i>				
<i>Lease Assets</i>				
Intangible Right to Use - Equipment	(27,692)	(23,078)	0	(50,770)
<i>Total Accumulated Depreciation/Amortization</i>	(26,663,236)	(1,430,739)	150,818	(27,943,157)
Total Depreciable Capital Assets, Net	20,509,795	686,484	(136,185)	21,060,094
Governmental Capital Assets, Net	\$21,623,556	\$1,529,676	(\$844,189)	\$22,309,043

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

Bellaire Local School District
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	<u>Depreciation</u>	<u>Amortization</u>	<u>Total</u>
Instruction:			
Regular	\$842,823	\$0	\$842,823
Special	6,497	0	6,497
Support Services:			
Pupil	871	0	871
Instructional Staff	68,414	0	68,414
Board of Education	5,171	0	5,171
Administration	4,119	0	4,119
Fiscal	13,579	0	13,579
Business	0	23,078	23,078
Operation and Maintenance of Plant	120,690	0	120,690
Pupil Transportation	193,191	0	193,191
Central	1,194	0	1,194
Food Service Operations	17,970	0	17,970
Non-Instructional Services	0	0	0
Extracurricular Activities	133,142	0	133,142
Total	<u>\$1,407,661</u>	<u>\$23,078</u>	<u>\$1,430,739</u>

NOTE 10 - RISK MANAGEMENT

Property, Fleet, and Liability Insurance

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

Protection and Preservation of Property-Property Damage	\$350,000,000
Bodily Injury and Property Damage	15,000,000
Crime-Cyber	1,000,000
Backup of Sewers and Drains	2,000,000
Data Restoration (Annual Aggregate)	5,000,000
Accounts Receivable	1,000,000
Errors and Omissions	1,000,000
Extra Expense	2,500,000
Earth Movement (Annual Aggregate)	8,000,000
Flood (Annual Aggregate)	8,000,000
Gross Earnings	2,000,000
Automobile Liability	15,000,000
Motor Vehicle Coverage Uninsured	1,000,000
Newly Acquired/Under Construction Property	10,000,000
Debris Removal	250,000

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Workers' Compensation

For fiscal year 2025, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 18). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm Paramount Preferred Solutions provides administrative, cost control and actuarial services to the GRP.

Employee Benefits

Medical and prescription drug are offered to employees through a self-insurance internal service fund. The School District is a member of the Jefferson Health Plan Self-Insurance Plan, a risk-sharing, claims servicing, and insurance purchasing pool, consisting of over one hundred members, in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the School District's behalf. The medical/surgical coverage is based on a usual, customary, and reasonable claim plan. The monthly premium for this coverage is \$1,174.37 for a single plan and \$2,851.83 for a family plan. The Board share of the premium for medical and prescription drug coverage is 85 percent for certified staff and 90 percent for classified staff. The premium is paid from the fund that pays the salary of the covered employee.

Dental insurance is offered to employees through a self-insurance program. The School District contracts with a third party administrator (Superior Dental Corp.) to handle claims administration and stop-loss coverage. The Board pays 100 percent of the monthly premium of \$62.41 per covered employee.

The claims liability of a \$447,819 reported in the internal service fund at June 30, 2025, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

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

Program	Beginning Balance	Current Year Claims	Claims Payments	Ending Balance
Self Insurance - Health				
2024	\$566,623	\$2,748,533	\$2,881,253	\$433,903
2025	433,903	3,201,030	3,187,114 (1)	447,819
(1) Claims Expense		\$3,090,614		
+ Stop Loss Receivable		110,416		
Current Year Claims		<u>\$3,201,030</u>		
(1) Cash Payments for Claims			\$4,129,328	
- Stop Loss Received for 2025 Claims			(942,214)	
Claims Payments			<u>\$3,187,114</u>	

NOTE 11 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability (Asset)

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

Plan Description – School District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, and death benefits to plan members and beneficiaries. Authority to establish and amend

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benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2025, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2025, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$321,233 for fiscal year 2025. Of this amount, \$4,487 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

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

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

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

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

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

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

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

The School District's contractually required contribution to STRS was \$897,758 for fiscal year 2025. Of this amount, \$123,195 is reported as an intergovernmental payable.

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability:			
Current Measurement Date	0.05204090%	0.04428501%	
Prior Measurement Date	<u>0.05372790%</u>	<u>0.04114483%</u>	
Change in Proportionate Share	<u>-0.00168700%</u>	<u>0.00314018%</u>	
Proportionate Share of the Net			
Pension Liability	\$2,662,203	\$8,521,150	\$11,183,353
Pension Expense	(\$29,122)	\$749,665	\$720,543

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$101,641	\$536,610	\$638,251
Changes of assumptions	23,815	392,702	416,517
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	0	610,102	610,102
School District contributions subsequent to the measurement date	<u>321,233</u>	<u>897,758</u>	<u>1,218,991</u>
Total Deferred Outflows of Resources	<u>\$446,689</u>	<u>\$2,437,172</u>	<u>\$2,883,861</u>

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$4,666	\$4,666
Changes of assumptions	0	295,592	295,592
Net difference between projected and actual earnings on pension plan investments	166,519	732,646	899,165
Changes in proportionate share and Difference between School District contributions and proportionate share of contributions	<u>420,535</u>	<u>0</u>	<u>420,535</u>
Total Deferred Inflows of Resources	<u>\$587,054</u>	<u>\$1,032,904</u>	<u>\$1,619,958</u>

\$1,218,991 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2026	(\$362,440)	(\$248,747)	(\$611,187)
2027	(5,527)	901,051	895,524
2028	(44,665)	(97,350)	(142,015)
2029	<u>(48,966)</u>	<u>(48,444)</u>	<u>(97,410)</u>
Total	<u>(\$461,598)</u>	<u>\$506,510</u>	<u>\$44,912</u>

Actuarial Assumptions – SERS

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

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

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

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

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

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

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. ORC 3309.15 and the SERS Board-adopted Investment Policy govern investment activity. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. As of June 30, 2024:

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$4,244,132	\$2,662,203	\$1,722,739

Actuarial Assumptions – STRS

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

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

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

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

* Final target weights reflected at October 1, 2022.

** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.4 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

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

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
School District's proportionate share of the net pension liability	\$13,746,111	\$8,521,150	\$4,101,734

NOTE 12 – DEFINED BENEFIT OPEB PLANS

See Note 11 for a description of the net OPEB liability (asset).

Plan Description – School Employees Retirement System (SERS)

Health Care Plan Description – The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types

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of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

The Health Care program is financed through a combination of employer contributions, recipient premiums, investment returns, and any funds received on behalf of SERS' participation in Medicare programs. The System's goal is to maintain a health care reserve account with a 20-year solvency period in order to ensure that fluctuations in the cost of health care do not cause an interruption in the program. However, during any period in which the 20-year solvency period is not achieved, the System shall manage the Health Care Fund on a pay-as-you-go basis.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2025, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2025, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2025, the School District's surcharge obligation was \$35,625.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$35,625 for fiscal year 2025. Of this amount, \$35,625 is reported as an intergovernmental payable.

Plan Description – State Teachers Retirement System (STRS)

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

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

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

OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an independent actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.05226700%	0.04428501%	
Prior Measurement Date	0.05471880%	0.04114483%	
Change in Proportionate Share	<u>-0.00245180%</u>	<u>0.00314018%</u>	
Proportionate Share of the:			
Net OPEB Liability	\$532,337	\$0	\$532,337
Net OPEB (Asset)	\$0	(\$840,001)	(\$840,001)
OPEB Expense	(\$84,520)	\$160,838	\$76,318

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$36,517	\$36,517
Changes of assumptions	228,479	103,393	331,872
Net difference between projected and actual earnings on OPEB plan investments	2,599	0	2,599
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	111,137	2,144	113,281
School District contributions subsequent to the measurement date	<u>35,625</u>	<u>0</u>	<u>35,625</u>
Total Deferred Outflows of Resources	<u>\$377,840</u>	<u>\$142,054</u>	<u>\$519,894</u>

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$573,998	\$90,524	\$664,522
Changes of assumptions	244,536	378,835	623,371
Net difference between projected and actual earnings on OPEB plan investments	0	36,067	36,067
Changes in proportionate share and Difference between School District contributions and proportionate share of contributions	<u>465,100</u>	<u>19,558</u>	<u>484,658</u>
Total Deferred Inflows of Resources	<u>\$1,283,634</u>	<u>\$524,984</u>	<u>\$1,808,618</u>

\$35,625 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability, or an increase to the net OPEB asset, in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2026	(\$170,015)	(\$129,555)	(\$299,570)
2027	(127,375)	(59,145)	(186,520)
2028	(123,031)	(75,121)	(198,152)
2029	(129,531)	(70,204)	(199,735)
2030	(128,748)	(57,385)	(186,133)
Thereafter	<u>(235,303)</u>	<u>8,480</u>	<u>(226,823)</u>
Total	<u>(\$914,003)</u>	<u>(\$382,930)</u>	<u>(\$1,296,933)</u>

Actuarial Assumptions – SERS

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

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

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

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

Mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members was based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table. Mortality rates are projected using a fully generational projection with Scale MP-2020.

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

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 11.

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

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
School District's proportionate share of the net OPEB liability	\$709,852	\$532,337	\$391,227

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$359,840	\$532,337	\$759,070

Actuarial Assumptions – STRS

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

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

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

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

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 11.

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

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net OPEB asset	(\$709,852)	(\$532,337)	(\$976,648)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	(\$359,840)	(\$532,337)	(\$664,567)

NOTE 13 – OTHER EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per fiscal year, depending upon length of service. Current policy permits vacation leave to be accumulated up to one year. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 260 to 275 days for all employees. Upon retirement, payment is made for thirty-five percent of accrued, but unused sick leave credit to a maximum of 91.00 days for classified employees and 96.25 days for certified employees. All certified employees hired after July 1, 2012, and classified employees hired after July 1, 2013, will be paid at twenty-five percent of accrued, but unused sick leave credit to a maximum of 65 days for classified employees and 68.75 days for certified employees.

Other Insurance Benefits

The School District provides life insurance to all employees. A \$50,000 life insurance policy is purchased by the School District at a cost of \$5 per month. The School District contracts with One America Insurance to provide this benefit. The School District provides vision insurance through Vision Service Plan at a cost of \$16.33 per month.

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

NOTE 14 - LONG - TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2025 were as follows:

	Outstanding 7/1/24	Additions	Deductions	Outstanding 6/30/25	Amounts Due In One Year
General Obligation Bonds:					
Direct Borrowing and Direct Placement Bonds:					
2015 Qualified Zone Academy Bonds, \$6,000,000 @ 0%	\$6,000,000	\$0	\$0	\$6,000,000	\$0
Lease Payable - \$92,308 @ 4.00%	62,074	0	18,249	43,825	18,993
Net Pension Liability:					
SERS	2,968,744	0	306,541	2,662,203	0
STRS	8,860,513	0	339,363	8,521,150	0
<i>Total Net Pension Liability</i>	<u>11,829,257</u>	<u>0</u>	<u>645,904</u>	<u>11,183,353</u>	<u>0</u>
Net OPEB Liability					
SERS	901,463	0	369,126	532,337	0
Compensated Absences	3,553,724	25,438	0	3,579,162	538,294
<i>Total Governmental Activities</i>	<u>\$22,346,518</u>	<u>\$25,438</u>	<u>\$1,033,279</u>	<u>\$21,338,677</u>	<u>\$557,287</u>

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

The School District's outstanding bonds from direct financing and direct placements totaled \$6,000,000 as of June 30, 2025. Discussion of such issues, including the terms specified in debt agreements related to significant events of default with finance-related consequences and termination events with finance-related consequences, are as follows:

2015 Qualified Zone Academy Bonds - On December 1, 2015, the School District issued \$6,000,000 qualified zone academy bonds (QZAB), in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34), to be used to fund building equipment, the Electro Retro Fit energy efficiency project and the Bellaire STEM Education Academy. The QZAB matures in 2030, with the entire principal balance coming due at maturity. The QZAB does not bear interest. As part of the issuance, the School District is required to place \$400,000 of base lease payments, annually, beginning on December 1, 2016, into a debt service sinking escrow account held by a fiscal agent. The base lease payments will be invested, and the balance in the account will be used for the final bond repayment in 2030. The value of the fiscal agent account is recorded as restricted investments with fiscal and escrow agents in the debt service fund in the amount of \$4,281,198 at June 30, 2025. These bonds, from direct placements, include provisions in the event of default that the bank may (1) terminate the lease and take possession of the property, (2) sell or lease or sublease its interest in the property while holding the School District liable for all base lease payments due during the then-current term, (3) direct the School District to pay all amounts on deposit in the sinking escrow fund, or (4) exercise any other means under appropriate statute or court order to enforce the terms.

Leases - The School District has outstanding agreements to lease copiers. The future lease payments were discounted based on the interest rate implicit in the lease. This discount is being amortized using the interest method over the life of the lease. The lease is for a 60-month period and includes both a minimum monthly cost for the equipment and per-use charges. The lease term expires in September of 2027. The lease will be paid from the General Fund.

Bellaire Local School District
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A summary of the principal and interest amounts for the remaining leases is as follows:

Year	Principal	Interest
2026	\$18,993	\$1,407
2027	19,766	634
2028	5,066	34
	\$43,825	\$2,075

The School District's overall legal debt margin was \$32,460,190, with an unvoted debt margin of \$379,767 at June 30, 2025.

Net Pension/OPEB Liability - There is no repayment schedule for the net pension liability or net OPEB liability. However, employer pension contributions are made from the following funds the General Fund, Miscellaneous State Grant, Miscellaneous Federal Grant, Title I, and the Food Service Special Revenue Funds. For additional information related to the net pension liability and the net OPEB liability, see notes 11 and 12 respectively.

NOTE 15 - COMMITMENTS

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General	\$12,180
Other Nonmajor Governmental	6,111
Total	\$18,291

Construction Commitments

The School District has entered into contractual commitments for construction/improvement projects. A summary of these commitments is presented below.

Project	Fund	Contract Amount	Completed as of 6/30/2025	Amount Remaining on Contract
Bellaire High School Health Clinic	Permanent Improvement Fund	\$449,086	\$409,086	\$40,000

NOTE 16 - INTERNAL BALANCES

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

	Interfund Receivable		
<u>Interfund Payable</u>	<u>General</u>	<u>Schoolwide Pool</u>	<u>Total</u>
General	\$0	\$219,867	\$219,867
Other Nonmajor Governmental	478,359	131,861	610,220
Total	\$478,359	\$351,728	\$830,087

Bellaire Local School District
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The balance due to the Schoolwide Pool Fund from the General Fund and Other Nonmajor Governmental Funds are for costs associated with the operation of the elementary school in accordance with the schoolwide program that will be transferred as cash is needed to fund the program. The interfund loans between the General Fund and Other Nonmajor Governmental Funds includes an advance to begin work on the High School Health Clinic Project in anticipation of contributions for the project. The other loans made to Other Nonmajor Governmental Funds were used to cover actual cash deficits in the Miscellaneous Federal Special Revenue Funds to support the programs until the grant monies are received.

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

	Transfers to			
	Schoolwide Pool	Capital Projects	Other Nonmajor Governmental	Total
<u>Transfers from</u> General	<u>\$1,966,770</u>	<u>\$18,500,000</u>	<u>\$406,218</u>	<u>\$20,872,988</u>

Transfers from the General Fund to the Schoolwide Pool Fund were used to move receipts in accordance with the schoolwide building program. Transfers from the General Fund to the Capital Projects Fund were used to accumulate resources for capital projects. Transfers from the General Fund to Other Nonmajor Governmental Funds were for the annual debt service sinking payments to the QZAB debt service escrow account and to provide resources for the Permanent Improvement Fund for future capital expenditures.

NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS

Belmont-Harrison Vocational School District - The Belmont-Harrison Vocational School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating school district's elected boards. The Board exercises total control over the district including budgeting, appropriating, contracting, and designates management. During fiscal year 2025, the School District made no contributions to the Vocational School District. To obtain financial information write to the Belmont-Harrison Vocational School, Mark Lucas, who serves as Treasurer, at 68090 Hammond Road, St. Clairsville, Ohio 43950.

Ohio Mid-Eastern Regional Educational Service Agency Information Technology Center Regional Council of Governments (Council) - The School District participates in the Ohio Mid-Eastern Regional Educational Service Agency Information Technology Center Regional Council of Governments (Council). The Council was created as a separate regional council of governments pursuant to State Statutes. The Council operates under the direction of a Board composed of a representative from each participating school district. The Board exercised total control over the operations of the Council including budgeting, appropriating, contracting, and designating management. Each participant's control is limited to its representation on the Board. The Council provides information technology and internet access to member districts, as well as cooperative purchasing programs. During fiscal year 2025, the total amount paid to OME-RESA from the School District was \$26,067 for technology services and \$34,721 for financial accounting services and educational management information. The Jefferson County Educational Service Center serves as the fiscal agent. To obtain financial information write to Ohio Mid-Eastern Regional Educational Service Agency, Treasurer, at 2023 Sunset Blvd., Steubenville, Ohio 43952.

Coalition of Rural and Appalachian Schools (CORAS) - The Coalition of Rural and Appalachian Schools (CORAS) is a jointly governed organization including over 120 school districts and other educational institutions in the 32-county region of Ohio designated as Appalachia. The CORAS is operated by a nineteen-member board composed of one elected and one appointed (one appointed seat is empty) from

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

NOTE 18 - PUBLIC ENTITY POOLS

Insurance Purchasing Pools

Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP) - The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program. The School District's pays \$1,600 for a policy to Minutemen in 2025.

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

Risk-Sharing, Claims Servicing, and Insurance Purchasing Pool

The Jefferson Health Plan Self-Insurance Plan - The School District participates in the Jefferson Health Plan Self-Insurance Plan, formerly known as the Ohio Mid-Eastern Regional Educational Service Agency, Self-Insurance Plan, a risk-sharing, claims servicing, and insurance purchasing pool composed of over one hundred eighty members. Each participant appoints a member of the insurance plans' assembly. The Plans' business and affairs are conducted by a nine-member Board of Directors elected from the assembly. The plan offers medical, dental, vision, and prescription drug coverage to the members on a self-insured basis, as well as the opportunity to participate in the group purchasing of life insurance coverage. The medical coverage plan provides each plan participant the opportunity to choose a self-insurance deductible limit which can range from \$35,000 to \$500,000 under which the individual member is responsible for all claims through the claims servicing pool. Plan participants also participate in a shared risk internal pool for individual claims between the self-insurance deductible limit and \$1,500,000, and all claims between the deductible and the \$1,500,000 are paid from the internal shared risk pool. The internal pool is not owned by the plan participants. All participants pay a premium rate that is actuarially calculated based on the participants' actual claims experience which are utilized for the payment of claims within the claims

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

servicing pool up to the self-insurance deductible limit; and for this portion of the plan, all plan participants retain their own risk. All participants pay an additional fee for participation in the internal pool that is based on the claims of the internal pool in aggregate and is not based on individual claims experience. In the event of a deficiency in the internal pool, participants would be charged a higher rate for participation, and in the event of a surplus, the internal pool pays dividends to the participants. For all individual claims exceeding \$1,500,000, stop loss coverage is purchased, as well as for an annual total plan aggregate claims amount. All plan participants also pay a monthly administrative fee for fiscal services and third party administrative services. The plan also purchases fully insured life insurance for plan participants provided by Grady Benefits.

NOTE 19 - RELATED ORGANIZATION

Bellaire Public Library - The Bellaire Public Library is a political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Bellaire Local School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operating subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Bellaire Public Library, Clerk/Treasurer, at 32nd and Guernsey Street, Bellaire, Ohio 43906.

NOTE 20 - SET-ASIDE CALCULATIONS AND FUND RESTRICTIONS

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

	<u>Capital Improvements</u>
Set-aside Restricted Balance as of June 30, 2024	\$0
Current Year Set-aside Requirement	268,229
Current Year Offsets	<u>(987,907)</u>
Totals	<u><u>(\$719,678)</u></u>

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

NOTE 21 - CONTINGENCIES

Grants

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

Bellaire Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2025.

Litigation

The School District is not currently party to legal proceedings.

Oil/Gas Leases

XTO Energy, Inc. – The Board of Education has entered into a “Paid-Up” Oil and Gas Lease with XTO Energy Inc. The lease is for 14.20 acres of property owned by the Bellaire Board of Education and is effective May 20, 2016, for a two year period. In consideration of the execution of the lease, the School District received a signing bonus in the amount of \$45,000 during fiscal year 2017. The lease calls for payments to the School District, in addition to the bonus, royalties in the amount of 20 percent for all oil and other liquid hydrocarbons and by-products produced and saved from the land, and all gas and other hydrocarbons and by-products.

Gulfport Energy Corporation – The Board of Education has entered into a “Paid-Up” Oil and Gas Lease with Gulfport Energy Corporation. The lease is for 12.00 acres of property owned by the Bellaire Board of Education and is effective June 24, 2016, for a five year period. In consideration of the execution of the lease, the School District received a signing bonus in the amount of \$42,000 during fiscal year 2017. The lease calls for payments to the School District, in addition to the bonus, royalties in the amount of 17 percent for all oil and other liquid hydrocarbons and by-products produced and saved from the land, and all gas and other hydrocarbons and by-products.

At the date of the financial statements, the full value of any potential future royalties cannot be determined.

Total carrying value of leased land is \$665,708.

Bellaire Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
*Last Ten Fiscal Years**

	2025	2024	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.05204090%	0.05372790%	0.06807960%	0.06994770%	0.06194320%
School District's Proportionate Share of the Net Pension Liability	\$2,662,203	\$2,968,744	\$3,682,275	\$2,580,867	\$4,097,053
School District's Covered Payroll	\$2,180,943	\$2,131,529	\$2,543,157	\$2,414,414	\$2,171,593
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	122.07%	139.28%	144.79%	106.89%	188.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.52%	76.06%	75.82%	82.86%	68.55%

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

See accompanying notes to required supplementary information

2020	2019	2018	2017	2016
0.05880000%	0.06070480%	0.05753860%	0.05694480%	0.59326200%
\$3,518,108	\$3,476,676	\$3,437,803	\$4,167,835	\$3,385,211
\$2,017,170	\$1,982,037	\$1,755,343	\$1,784,900	\$1,796,039
174.41%	175.41%	195.85%	233.51%	188.48%
70.85%	71.36%	69.50%	62.98%	69.16%

Bellaire Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
*Last Ten Fiscal Years**

	2025	2024	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.04428501%	0.04114483%	0.04095562%	0.03973321%	0.03809409%
School District's Proportionate Share of the Net Pension Liability	\$8,521,150	\$8,860,513	\$9,104,486	\$5,080,248	\$9,217,414
School District's Covered Payroll	\$6,202,179	\$5,620,800	\$5,339,043	\$4,984,071	\$4,614,779
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	137.39%	157.64%	170.53%	101.93%	199.74%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.50%	80.00%	87.80%	87.80%	75.50%

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

See accompanying notes to required supplementary information

2020	2019	2018	2017	2016
0.03737882%	0.03592031%	0.03198396%	0.03752161%	0.03838273%
\$8,266,101	\$7,898,070	\$7,597,858	\$12,559,613	\$10,607,863
\$4,391,279	\$4,121,600	\$3,571,771	\$3,944,179	\$4,006,729
188.24%	191.63%	212.72%	318.43%	264.75%
77.40%	77.30%	75.30%	66.80%	72.10%

Bellaire Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
*Last Nine Fiscal Years (1)**

	2025	2024	2023	2022	2021
School District's Proportion of the Net OPEB Liability	0.05226700%	0.05471880%	0.06905060%	0.07147580%	0.06298880%
School District's Proportionate Share of the Net OPEB Liability	\$532,337	\$901,463	\$969,478	\$1,352,737	\$1,368,954
School District's Covered Payroll	\$2,180,943	\$2,131,529	\$2,543,157	\$2,414,414	\$2,171,593
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	24.41%	42.29%	38.12%	56.03%	63.04%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	44.50%	30.02%	30.34%	24.08%	18.17%

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

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

See accompanying notes to required supplementary information

2020	2019	2018	2017
0.05971740%	0.06116250%	0.05818140%	0.05766010%
\$1,501,767	\$1,696,813	\$1,561,436	\$1,643,526
\$2,017,170	\$1,982,037	\$1,755,343	\$1,784,900
74.45%	85.61%	88.95%	92.08%
15.57%	13.57%	12.46%	11.49%

Bellaire Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB (Asset) Liability
State Teachers Retirement System of Ohio
*Last Nine Fiscal Years (1)**

	2025	2024	2023	2022	2021
School District's Proportion of the Net OPEB (Asset) Liability	0.04428501%	0.04114483%	0.04095562%	0.03973321%	0.03809409%
School District's Proportionate Share of the Net OPEB (Asset) Liability	(\$840,001)	(\$800,211)	(\$1,060,478)	(\$837,740)	(\$669,504)
School District's Covered Payroll	\$6,202,179	\$5,620,800	\$5,339,043	\$4,984,071	\$4,614,779
School District's Proportionate Share of the Net OPEB (Asset) Liability as a Percentage of its Covered Payroll	-13.54%	-14.24%	-19.86%	-16.81%	-14.51%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	158.00%	168.50%	230.70%	174.70%	182.10%

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

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

See accompanying notes to required supplementary information

2020	2019	2018	2017
0.03737882%	0.03592031%	0.03198396%	0.03752161%
(\$619,083)	(\$557,201)	\$1,247,896	\$2,006,665
\$4,391,279	\$4,121,600	\$3,571,117	\$3,944,179
-14.10%	-13.52%	34.94%	50.88%
174.70%	176.00%	47.10%	37.30%

Bellaire Local School District
Required Supplementary Information
Schedule of School District Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Net Pension Liability					
Contractually Required Contribution	\$321,233	\$305,322	\$298,414	\$356,042	\$338,018
Contributions in Relation to the Contractually Required Contribution	<u>(321,233)</u>	<u>(305,322)</u>	<u>(298,414)</u>	<u>(356,042)</u>	<u>(338,018)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$2,294,521	\$2,180,943	\$2,131,529	\$2,543,157	\$2,414,414
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability					
Contractually Required Contribution (2)	\$35,625	\$33,185	\$36,939	\$42,223	\$42,919
Contributions in Relation to the Contractually Required Contribution	<u>(35,625)</u>	<u>(33,185)</u>	<u>(36,939)</u>	<u>(42,223)</u>	<u>(42,919)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>1.55%</u>	<u>1.52%</u>	<u>1.73%</u>	<u>1.66%</u>	<u>1.78%</u>
Total Contributions as a Percentage of Covered Payroll (2)	<u>15.55%</u>	<u>15.52%</u>	<u>15.73%</u>	<u>15.66%</u>	<u>15.78%</u>

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

(2) Includes Surcharge

See accompanying notes to required supplementary information

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$304,023	\$272,318	\$267,575	\$245,748	\$249,886
<u>(304,023)</u>	<u>(272,318)</u>	<u>(267,575)</u>	<u>(245,748)</u>	<u>(249,886)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,171,593	\$2,017,170	\$1,982,037	\$1,755,343	\$1,784,900
14.00%	13.50%	13.50%	14.00%	14.00%
\$34,365	\$44,000	\$41,076	\$30,753	\$28,974
<u>(34,365)</u>	<u>(44,000)</u>	<u>(41,076)</u>	<u>(30,753)</u>	<u>(28,974)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>1.58%</u>	<u>2.18%</u>	<u>2.07%</u>	<u>1.75%</u>	<u>1.62%</u>
<u>15.58%</u>	<u>15.68%</u>	<u>15.57%</u>	<u>15.75%</u>	<u>15.62%</u>

Bellaire Local School District
Required Supplementary Information
Schedule of School District Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Net Pension Liability					
Contractually Required Contribution	\$897,758	\$868,305	\$786,912	\$747,466	\$697,770
Contributions in Relation to the Contractually Required Contribution	(897,758)	(868,305)	(786,912)	(747,466)	(697,770)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$6,412,557	\$6,202,179	\$5,620,800	\$5,339,043	\$4,984,071
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

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

See accompanying notes to required supplementary information

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$646,069	\$614,779	\$577,024	\$500,048	\$552,185
<u>(646,069)</u>	<u>(614,779)</u>	<u>(577,024)</u>	<u>(500,048)</u>	<u>(552,185)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,614,779	\$4,391,279	\$4,121,600	\$3,571,771	\$3,944,179
14.00%	14.00%	14.00%	14.00%	14.00%

Bellaire Local School District
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Net Pension Liability

Changes in Benefit Terms/Assumptions – SERS

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

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

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

Beginning in 2022, amounts reported use mortality rates based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

Changes in Assumptions - STRS

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

Bellaire Local School District
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

Investment rate of return:

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

Beginning with fiscal year 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

Changes in Benefit Term – STRS Pension

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

Bellaire Local School District
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

Net OPEB Liability

Changes in Assumptions – SERS

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

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

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

Municipal Bond Index Rate:

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

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

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

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was

Bellaire Local School District
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

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

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

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

Changes in Benefit Terms – STRS OPEB

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

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

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

For fiscal year 2021, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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

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

Bellaire Local School District
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

For fiscal year 2024, healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

**BELLAIRE LOCAL SCHOOL DISTRICT
BELMONT COUNTY**

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

FEDERAL GRANTOR/ Pass-Through Grantor Program/ Cluster Title	Federal AL Number	Pass-through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Ohio Department of Education and Workforce</i>				
Child Nutrition Cluster:				
Non-Cash Assistance:				
National School Lunch Program - Food Donation	10.555	N/A	\$0	\$20,612
Cash Assistance:				
School Breakfast Program	10.553	043570-05PU-24	0	162,377
National School Lunch Program	10.555	043570-LLP4-25	0	338,163
Total Child Nutrition Cluster			<u>0</u>	<u>521,152</u>
Total U.S. Department of Agriculture			0	521,152
U.S. DEPARTMENT OF EDUCATION				
<i>Passed Through Ohio Department of Education and Workforce</i>				
Title I Grants to Local Educational Agencies	84.010A	043570-C1S1-24	0	82,550
Title I Grants to Local Educational Agencies	84.010A	043570-C1S1-25	0	471,619
Title I Noncompetitive Supplemental School Improvement	84.010A	2024	0	10,764
Expanding Opportunities for Each Child	84.010A	2024	0	7,615
Total Title I Grants to Local Educational Agencies			<u>0</u>	<u>572,548</u>
Special Education Cluster (IDEA):				
Special Education, Grants to States (IDEA, Part B)	84.027A	043570-6BSF-24	0	53,762
Special Education, Grants to States (IDEA, Part B)		043570-6BSF-25	0	310,303
Special Education, Grants to States (IDEA, Part B) Subtotal			<u>0</u>	<u>364,065</u>
Special Education - Preschool Grants (IDEA Preschool)	84.173	043570-25	5,506	5,506
Total Special Education Cluster (IDEA)			5,506	369,571
Title V-B Rural and Low-Income School Program	84.358	2024	0	34,262
Title V-B Rural and Low-Income School Program		2025	0	17,728
Total Title V-B Rural and Low-Income School Program			<u>0</u>	<u>51,990</u>
Supporting Effective Instruction State Grants	84.367	043570-TRS1-24	0	11,938
Supporting Effective Instruction State Grants		043570-TRS1-25	0	62,853
Total Supporting Effective Instruction State Grants			<u>0</u>	<u>74,791</u>
Title IV, Part A Student Support and Academic Enrichment Grant	84.424A	043570-24	0	7,237
		043570-25	0	37,053
Total Title IV, Part A Student Support and Academic Enrichment Grant			<u>0</u>	<u>44,290</u>
American Rescue Plan Elementary and Secondary School				
Emergency Relief - Homeless Children and Youth (ARP-HCY)	84.425W	2023	0	122
American Rescue Plan Elementary and Secondary School Emergency Relief Fund III	84.425U	2023	0	55,056
Total Elementary and Secondary School Emergency Relief Fund			<u>0</u>	<u>55,177</u>
Total U.S. Department of Education			5,506	1,168,368
Total Expenditures of Federal Awards			<u>\$5,506</u>	<u>\$1,689,520</u>

The accompanying notes are an integral part of this Schedule.

**BELLAIRE LOCAL SCHOOL DISTRICT
BELMONT COUNTY**

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

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Bellaire Local School District (the School District) under programs of the federal government for the year ended June 30, 2025. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

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

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

NOTE E - CHILD NUTRITION CLUSTER

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

NOTE F – FOOD DONATION PROGRAM

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

**BELLAIRE LOCAL SCHOOL DISTRICT
BELMONT COUNTY**

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

NOTE G - TRANSFERS BETWEEN PROGRAM YEARS

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

<u>Program Title</u>	<u>AL Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Educational Agencies	84.010	\$13,716
Title V-B Rural and Low-Income	84.358B	16,247
Title II-A Supporting Effective Instruction	84.367A	1,535
Title IV-A Student Support and Academic Enrichment	84.424A	905
Special Education - Grants to States (IDEA, Part B)	84.027	141,274

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OHIO AUDITOR OF STATE KEITH FABER



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

Bellaire Local School District
Belmont County
340 34th Street
Bellaire, Ohio 43906

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bellaire Local School District, Belmont County, Ohio (the School District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated March 9, 2026, wherein we noted the School District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



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

March 9, 2026

OHIO AUDITOR OF STATE KEITH FABER

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

Bellaire Local School District
Belmont County
340 34th Street
Bellaire, Ohio 43906

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Bellaire Local School District's, Belmont County, Ohio (the School District), compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Bellaire Local School District's major federal program for the year ended June 30, 2025. Bellaire Local School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

In our opinion, Bellaire Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

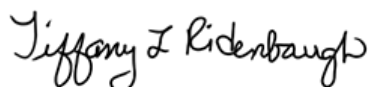
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

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

KEITH FABER
Ohio Auditor of State



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

March 9, 2026

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**BELLAIRE LOCAL SCHOOL DISTRICT
BELMONT COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE KEITH FABER



BELLAIRE LOCAL SCHOOL DISTRICT

BELMONT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 3/24/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov