

**BELLEVUE INDEPENDENT SCHOOL DISTRICT**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT

Kentucky State Committee for School District Audits  
Members of the Board of Education  
Bellevue Independent School District  
Bellevue, KY

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

#### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis of Opinions***

We conducted our audit in accordance with 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue

as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension schedules, and OPEB schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or

historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, combining and individual school activity fund financial statements, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, combining and individual school activity fund financial statements, and the schedule of expenditures of federal awards are 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 January 11, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

**Maddox & Associates CPAs Inc.**

Bellevue, Kentucky  
January 11, 2026

As management of the Bellevue Independent School District (District) we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information found within the body of this report.

### **FINANCIAL HIGHLIGHTS**

The assets and deferred outflows of the District were more than its liabilities and deferred outflows at the close of the most recent fiscal year by \$19,693,606 (net position). The unrestricted net position, which represents the amounts available to meet the District's ongoing obligations to citizens and creditors, was \$14,230,051. The District is committed to provide postemployment benefits to its employees. As a result, the District has recognized substantial liabilities in the financial statements for these benefits. As of year-end, the District has liabilities of for postemployment benefits of \$3,584,347 which caused the deficit balance in the unrestricted net position. The District's total net position increased by \$13,847,318.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to the financial statements.

#### **Government-wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, district and school administration, business and plant operations, student transportation, and operation of non-instructional services. Fixed assets and debt is also supported by taxes and intergovernmental revenues. The government-wide financial statements can be found on pages 9-10 of this report.

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. This is the state mandated accounting system including a chart of accounts for all Kentucky public school districts utilizing the MUNIS administrative software. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The proprietary fund is for food service operations. The fiduciary fund is a trust fund established by benefactors to aid in student education, welfare, and teacher support. All other activities of the District are included in the governmental funds. The basic governmental fund financial statements can be found on pages 11-19 of this report.

### Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-57 of this report.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position presents financial information on all of the District’s assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

### Net Position

	Governmental Activities		Business-Type Activities	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
<b>Assets</b>				
Current assets	\$ 20,100,025	\$ 19,513,680	\$ 354,290	\$ 454,873
Noncurrent assets	19,476,951	10,592,820	90,388	94,466
<b>Total assets</b>	<b>39,576,976</b>	<b>30,106,500</b>	<b>444,678</b>	<b>549,339</b>
Deferred outflows	1,277,058	1,454,552	92,931	99,507
<b>Liabilities</b>				
Current liabilities	1,134,316	12,879,554	2,879	5,323
Noncurrent liabilities	18,277,266	10,749,184	377,016	66,708
<b>Total liabilities</b>	<b>19,411,582</b>	<b>23,628,738</b>	<b>379,895</b>	<b>72,031</b>
Deferred inflows	1,740,071	2,069,933	166,489	252,750
<b>Net position</b>				
Net investment in capital assets	4,384,884	4,672,784	74,672	84,792
Restricted	1,087,446	1,316,138	(83,447)	239,273
Unrestricted	14,230,051	(126,541)	-	-
<b>Total net position</b>	<b>\$ 19,702,381</b>	<b>\$ 5,862,381</b>	<b>\$ (8,775)</b>	<b>\$ 324,065</b>

**Change in Net Position**

	Governmental Activities		Business-Type Activities	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
<b>Revenues:</b>				
Local revenue sources	\$ 6,804,947	\$ 6,734,430	\$ 948	\$ 1,446
State revenue sources	15,419,200	6,590,606	92,157	38,519
Federal revenue sources	1,894,328	2,339,829	561,664	676,771
<b>Total revenues</b>	<b>\$ 24,118,475</b>	<b>\$ 15,664,865</b>	<b>\$ 654,769</b>	<b>\$ 716,736</b>
<b>Expenses:</b>				
Instruction	4,888,804	7,880,735	-	-
Student support	479,603	630,218	-	-
Instruction staff	873,337	875,531	-	-
District administrative	526,270	761,740	-	-
School administrative	492,431	722,946	-	-
Business support	325,263	364,441	-	-
Plant operations	1,569,915	1,083,653	-	-
Student transportation	189,092	51,619	-	-
Food service	-	-	944,158	645,009
Community services	122,860	141,770	-	-
Building improvements	196,361	-	-	-
Interest on long-term debt	317,832	163,806	-	-
<b>Total expenses</b>	<b>\$ 9,981,768</b>	<b>\$ 12,676,459</b>	<b>\$ 944,158</b>	<b>\$ 645,009</b>
<b>Transfers</b>	<b>43,451</b>	<b>41,234</b>	<b>(43,451)</b>	<b>(41,234)</b>
<b>Change in net position</b>	<b>\$ 14,180,158</b>	<b>\$ 3,029,640</b>	<b>\$ (332,840)</b>	<b>\$ 30,493</b>

**GOVERNMENTAL FUND FINANCIAL ANALYSIS**

**Governmental Funds**

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the District's government funds reported combined fund balances of \$19,506,674 a change of \$12,981,698 from the prior year.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$4,016,663 . The total general fund balance changed (\$261,332).

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of the fiscal year, the District had \$19,499,117 in capital assets net of depreciation. Net capital assets changed by \$8,863,226 .

	Governmental Activities		Business-Type Activities	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Land	\$ 175,987	\$ 175,987	\$ -	\$ -
Land and improvements	163,777	174,891	-	-
Buildings and improvements	8,693,723	1,888,163	-	-
Technology equipment	-	(35,439)	-	-
Vehicles	64,596	153,669	-	-
General equipment	20,498	24,495	74,672	84,972
Construction in progress	10,305,864	8,169,153	-	-
<b>Total capital assets, net</b>	<b>\$ 19,424,445</b>	<b>\$ 10,550,919</b>	<b>\$ 74,672</b>	<b>\$ 84,972</b>

**Long-Term Obligations**

At the end of the fiscal year, the District had \$18,801,296 in long-term liabilities. Long-term liabilities changed by \$7,355,506 .

	Governmental Activities		Business-Type Activities	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Compensated absences	\$ 415,811	\$ 138,819	\$ -	\$ -
KISTA bonds payable	138,593	-	-	-
Bonds payable	15,039,561	6,863,995	-	-
Net OPEB liability	1,228,000	1,416,000	-	215,907
Net pension liability	1,979,331	2,397,078	377,016	791,007
<b>Total long-term liabilities</b>	<b>\$ 18,801,296</b>	<b>\$ 10,815,892</b>	<b>\$ 377,016</b>	<b>\$ 1,006,914</b>

**GENERAL FUND BUDGET**

Kentucky state statutes and the Kentucky Department of Education require school districts to adopt a budget that has a minimum 2% contingency. The District adopted a general fund budget that had a contingency of 7%.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

General fund revenue for the District for 2026 is budgeted to decrease approximately \$380,000. Expenditures are budgeted to increase approximately 2,200,000 over the prior year. The 2026 budget has a 8% contingency.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Finance Officer, Jennifer Hoover, 219 Center St., Bellevue, KY 41073.

Bellevue Independent School District  
Statement of Net Position  
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 19,488,449	\$ 348,553	\$ 19,837,002
Receivables	611,576	-	611,576
Inventory	-	5,737	5,737
Noncurrent assets			
Net OBEP asset - CERS	52,506	15,716	68,222
Capital assets, net	19,424,445	74,672	19,499,117
<b>Total assets</b>	<b>39,576,976</b>	<b>444,678</b>	<b>40,021,654</b>
<b>Deferred outflows of resources</b>			
OPEB related	909,379	21,538	930,917
Pension related	367,679	71,393	439,072
<b>Total deferred outflows of resources</b>	<b>1,277,058</b>	<b>92,931</b>	<b>1,369,989</b>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	430,180	2,879	433,059
Unearned revenue	163,171	-	163,171
Accrued interest payable	17,035	-	17,035
KISTA bonds payable	15,034	-	15,034
Bonds payable	858,896	-	858,896
Noncurrent liabilities			
Compensated absences	415,811	-	415,811
KISTA bonds payable	123,459	-	123,459
Bonds payable	14,180,665	-	14,180,665
Net OPEB liability - TRS	1,228,000	-	1,228,000
Net pension liability	1,979,331	377,016	2,356,347
<b>Total liabilities</b>	<b>19,411,582</b>	<b>379,895</b>	<b>19,791,477</b>
<b>Deferred inflows of resources</b>			
OPEB related	1,454,454	112,086	1,566,540
Pension related	285,617	54,403	340,020
<b>Total deferred inflows of resources</b>	<b>1,740,071</b>	<b>166,489</b>	<b>1,906,560</b>
<b>Net position</b>			
Net investment in capital assets	4,384,884	74,672	4,459,556
Restricted (deficit)	1,087,446	(83,447)	1,003,999
Unrestricted	14,230,051	-	14,230,051
<b>Total net position (deficit)</b>	<b>\$ 19,702,381</b>	<b>\$ (8,775)</b>	<b>\$ 19,693,606</b>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
Statement of Activities  
Year Ended June 30, 2025

	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Revenue over Expenses
<b>Governmental Activities</b>					
Instruction	\$ 4,888,804	\$ 14,715	\$ 3,325,716	\$ -	\$ (1,548,373)
Support services:					
Student	479,603	-	14,000	-	(465,603)
Instructional staff	873,337	-	394,193	-	(479,144)
District administration	526,270	-	-	-	(526,270)
School administration	492,431	-	-	-	(492,431)
Business	325,263	-	345	-	(324,918)
Plant operation	1,569,915	-	613,366	-	(956,549)
Student transportation	189,092	-	-	-	(189,092)
Community service	122,860	-	130,661	-	7,801
Building improvements	196,361	-	-	-	(196,361)
Interest on long-term debt	317,832	-	-	114,179	(203,653)
<b>Total governmental activities</b>	<b>9,981,768</b>	<b>14,715</b>	<b>4,478,281</b>	<b>114,179</b>	<b>(5,374,593)</b>
<b>Business-Type Activities</b>					
Food service	944,158	948	653,821	-	(289,389)
<b>Total business-type activities</b>	<b>944,158</b>	<b>948</b>	<b>653,821</b>	<b>-</b>	<b>(289,389)</b>
<b>Total school district</b>	<b>\$ 10,925,926</b>	<b>\$ 15,663</b>	<b>\$ 5,132,102</b>	<b>\$ 114,179</b>	<b>(5,663,982)</b>
			<b>Governmental</b>	<b>Business-Type</b>	
			<b>Activities</b>	<b>Activities</b>	<b>Total</b>
<b>Revenue over expenses</b>			\$ (5,374,593)	\$ (289,389)	\$ (5,663,982)
<b>General Revenues</b>					
Property taxes			4,990,511	-	4,990,511
Motor vehicle taxes			446,933	-	446,933
State and federal aid			11,499,938	-	11,499,938
SEEK			1,151,837	-	1,151,837
Federal direct revenue			69,293	-	69,293
Investment earnings			953,244	-	953,244
Other			399,544	-	399,544
Transfers			43,451	(43,451)	-
<b>Total general revenues</b>			<b>19,554,751</b>	<b>(43,451)</b>	<b>19,511,300</b>
Change in net position			14,180,158	(332,840)	13,847,318
Net position (deficit) - beginning of year			5,522,223	324,065	5,846,288
<b>Net position (deficit) - end of year</b>			<b>\$ 19,702,381</b>	<b>\$ (8,775)</b>	<b>\$ 19,693,606</b>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
Balance Sheet – Governmental Funds  
June 30, 2025

	General Fund	Special Revenue Fund	Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$4,065,825	\$ -	\$ 14,281,580	\$ 1,141,044	\$ 19,488,449
Receivables	108,653	502,923	-	-	611,576
Interfund receivable	334,243	-	-	-	334,243
<b>Total assets</b>	<b>\$4,508,721</b>	<b>\$ 502,923</b>	<b>\$ 14,281,580</b>	<b>\$ 1,141,044</b>	<b>\$ 20,434,268</b>
<b>Liabilities</b>					
Accounts payable	\$ 422,649	\$ 5,414	\$ 470	\$ 1,647	\$ 430,180
Unearned revenue	-	163,171	-	-	163,171
Interfund payable	-	334,243	-	-	334,243
<b>Total liabilities</b>	<b>422,649</b>	<b>502,828</b>	<b>470</b>	<b>1,647</b>	<b>927,594</b>
<b>Fund balances</b>					
Restricted	-	-	-	1,087,446	1,087,446
Committed	69,409	-	-	-	69,409
Assigned	-	8,962	-	51,951	60,913
Unassigned	4,016,663	(8,867)	14,281,110	-	18,288,906
<b>Total fund balances</b>	<b>4,086,072</b>	<b>95</b>	<b>14,281,110</b>	<b>1,139,397</b>	<b>19,506,674</b>
<b>Total liabilities and fund balances</b>	<b>\$4,508,721</b>	<b>\$ 502,923</b>	<b>\$ 14,281,580</b>	<b>\$ 1,141,044</b>	<b>\$ 20,434,268</b>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
 Reconciliation of the Balance Sheet – Governmental Funds  
 to the Statement of Net Position  
 June 30, 2025

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Total fund balances - governmental funds	\$	19,506,674
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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.

Capital assets		19,424,445
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Deferred outflow and inflow of resources are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows - OPEB		909,379
Deferred outflows - pensions		367,679
Deferred inflows - OPEB		(1,454,454)
Deferred inflows - pension		(285,617)

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

Accrued interest payable		(17,035)
Compensated absences		(415,811)
KISTA bonds payable		(138,493)
Bonds payable		(15,039,561)
Net OPEB liability (asset)		(1,175,494)
Net pension liability		(1,979,331)

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<b>Net position of governmental activities</b>	<b>\$</b>	<b>19,702,381</b>
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The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
Statement of Revenues, Expenditures and Changes in Fund  
Balances – Governmental Funds  
Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
From local sources:					
Property taxes	\$4,003,818	\$ -	\$ -	\$ 986,693	\$ 4,990,511
Motor vehicle taxes	446,933	-	-	-	446,933
Earnings on investments	239,235	-	713,120	889	953,244
Tuition	14,715	-	-	-	14,715
Other local revenue	70,297	33,926	-	295,321	399,544
Intergovernmental state:					
SEEK	1,059,092	-	-	92,745	1,151,837
On-behalf	2,074,476	-	-	114,179	2,188,655
Other	37,320	536,812	11,504,576	-	12,078,708
Intergovernmental federal	1,500	1,823,535	-	-	1,825,035
Federal direct	69,293	-	-	-	69,293
<b>Total revenues</b>	<b>8,016,679</b>	<b>2,394,273</b>	<b>12,217,696</b>	<b>1,489,827</b>	<b>24,118,475</b>
<b>Expenditures</b>					
Instruction	4,768,025	1,251,240	-	244,626	6,263,891
Support services:					
Student	532,160	14,000	-	-	546,160
Instruction staff	489,269	394,193	-	-	883,462
District administrative	582,049	-	-	-	582,049
School administrative	498,067	-	-	-	498,067
Business support	409,971	345	-	-	410,316
Plant operation	1,033,612	613,366	-	-	1,646,978
Student transpiration	230,623	-	-	-	230,623
Community services	11,966	130,661	-	-	142,627
Building improvements	-	-	7,751,234	-	7,751,234
Debt service					
Principal	15,979	-	-	350,000	365,979
Interest	4,586	-	-	335,845	340,431
<b>Total expenditures</b>	<b>8,576,307</b>	<b>2,403,805</b>	<b>7,751,234</b>	<b>930,471</b>	<b>19,661,817</b>
Excess of revenues over (under) expenditures	(559,628)	(9,532)	4,466,462	559,356	4,456,658
<b>Other financing sources (uses)</b>					
Transfers in	153,960	101,672	501,671	571,666	1,328,969
Transfers out	(10,136)	(92,045)	-	(1,183,337)	(1,285,518)
KISTA bond proceeds	154,472	-	-	-	154,472
Bond premium	-	-	113,478	-	113,478
Bond discount	-	-	(196,361)	-	(196,361)
Bond proceeds	-	-	8,410,000	-	8,410,000
<b>Total other financing sources (uses)</b>	<b>298,296</b>	<b>9,627</b>	<b>8,828,788</b>	<b>(611,671)</b>	<b>8,525,040</b>
Net change in fund balances	(261,332)	95	13,295,250	(52,315)	12,981,698
Fund balances - beginning, as restated	4,347,404	-	985,860	1,191,712	6,524,976
<b>Fund balances - end of year</b>	<b>\$4,086,072</b>	<b>\$ 95</b>	<b>\$ 14,281,110</b>	<b>\$ 1,139,397</b>	<b>\$ 19,506,674</b>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
Statement of Net Position – Proprietary Fund  
June 30, 2025

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Net change in fund balances - total governmental funds \$ 12,981,698

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 asset is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	9,045,484
Depreciation expense	(211,958)

The issuance of long-term debt provides current financial resources to governmental funds, but the proceeds increase long-term liabilities in the statement of net position. (8,677,950)

Repayment of long-term debt are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 390,337

Some expenses reported in the statement of activities do not require current financial resources and, therefore, are not reported as expenditures in the funds.

Change in accrued interest payable	(1,759)
Change in compensated absences	(87,706)
Change in OPEB liabilities and deferred amounts	313,861
Change in pension liabilities and deferred amounts	428,151

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Change in net position of governmental activities	\$ 14,180,158
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The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
Statement of Net Position – Proprietary Fund  
June 30, 2025

	Food Service
<b>Assets</b>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 348,553
Inventories for consumption	5,737
<b>Total current assets</b>	<b>354,290</b>
<b>Noncurrent assets</b>	
Net OPEB asset - CERS	15,716
Capital assets, net	74,672
<b>Total noncurrent assets</b>	<b>90,388</b>
<b>Total assets</b>	<b>444,678</b>
<b>Deferred outflows of resources</b>	
OPEB related	21,538
Pension related	71,393
<b>Total deferred outflows of resources</b>	<b>92,931</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Accounts payable	2,879
<b>Total current liabilities</b>	<b>2,879</b>
<b>Long-term liabilities</b>	
Net pension liability	377,016
<b>Total long-term liabilities</b>	<b>377,016</b>
<b>Total liabilities</b>	<b>379,895</b>
<b>Deferred inflows of resources</b>	
OPEB related	112,086
Pension related	54,403
<b>Total deferred inflow of resources</b>	<b>166,489</b>
<b>Net position</b>	
Net investment in capital assets	74,672
Restricted	(83,447)
<b>Total net position (deficit)</b>	<b>\$ (8,775)</b>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
Statement of Revenue, Expenses, and Changes  
In Fund Net Position – Proprietary Fund  
Year Ended June 30, 2025

	Food Service
<b>Operating revenues</b>	
Food service	\$ 948
<b>Total operating revenues</b>	<b>948</b>
<b>Operating expenses</b>	
Salaries and wages	205,785
Employee benefits	371,283
Purchased services	39,410
Materials and supplies	315,775
Depreciation	11,905
<b>Total operating expenses</b>	<b>944,158</b>
<b>Operating loss</b>	<b>(943,210)</b>
<b>Non operating revenues</b>	
Operating grants - state	633
On-behalf revenue	91,524
Operating grants - federal	529,850
Donated commodities	31,814
Transfers out	(43,451)
<b>Total other financing sources (uses)</b>	<b>610,370</b>
<b>Net change in fund balances</b>	<b>(332,840)</b>
<b>Fund balances - beginning of year</b>	<b>324,065</b>
<b>Fund balances - end of year</b>	<b>\$ (8,775)</b>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
Statement of Cash Flows – Proprietary Fund  
Year Ended June 30, 2025

	Food Service
<b>Cash flows from operating activities</b>	
Cash received:	
From food service sales	\$ 948
From tuition	-
Cash paid:	
To employees	(352,487)
To suppliers	(319,712)
For operating expenses	(39,410)
Cash transfer	(43,451)
<b>Net cash used in operating activities</b>	<b>(754,112)</b>
<b>Cash flows from noncapital financing activities</b>	
Bank overdraft	-
Non operating grants	671,170
<b>Net cash provided by noncapital financing activities</b>	<b>671,170</b>
<b>Cash flows from investing activities</b>	
Purchases of equipment	(1,785)
<b>Net cash provided by investing activities</b>	<b>(1,785)</b>
Net increase in cash	(84,727)
Cash - beginning of year	433,280
Cash - end of year	<u>\$ 348,553</u>
<b>Reconciliation of operating loss to net cash used in operating activities</b>	
Operating loss	\$ (943,210)
Adjustments to reconcile operating loss to net cash in operating activities	
Depreciation	11,905
Transfers out	(43,451)
Changes in:	
Inventory	(1,493)
Payables	(2,444)
Deferred outflows	6,576
Deferred inflows	(86,261)
Net OPEB liability	(6,042)
Net pension liability	310,308
<b>Net cash used in operating activities</b>	<b>\$ (754,112)</b>
<b>Noncash activities</b>	
Commodities received from federal	<u>\$ 31,814</u>
On-behalf payments received state	<u>\$ 91,524</u>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
 Statement of Net Position – Fiduciary Fund  
 Year Ended June 30, 2025

	Trust Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 106,310
<b>Total assets</b>	<b>\$ 106,310</b>
<b>Net Position</b>	
Restricted	106,310
<b>Total net position</b>	<b>106,310</b>
<b>Total liabilities and net position</b>	<b>\$ 106,310</b>

The notes to the financial statements are an integral part of this statement.

Bellevue Independent School District  
 Statement of Changes in Net Position – Fiduciary Fund  
 Year Ended June 30, 2025

	Trust Fund
<b>Additions</b>	
Private donations	\$ 16,604
<b>Total operating revenues</b>	<b>16,604</b>
<b>Deductions</b>	
Community services	11,780
<b>Total operating expenses</b>	<b>11,780</b>
<b>Change in net position</b>	<b>4,824</b>
<b>Net position - beginning of year, as restated</b>	<b>101,486</b>
<b>Net position - end of year</b>	<b>\$ 106,310</b>

The notes to the financial statements are an integral part of this statement.

## **NOTE 1: ACCOUNTING POLICIES**

### **Reporting Entity**

The Bellevue Independent Board of Education (Board), a five-member group, is the level of government which has oversight responsibilities over all activities related to public elementary and secondary education within the jurisdiction of Bellevue Independent School District (District). The District receives funding from local, state and federal government sources and must comply with the commitment requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards. Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to develop policies which may influence operations, and primary accountability for fiscal matters.

The District, for financial purposes, includes all of the funds and account groups relevant to the operation of the Board. The financial statements presented herein do not include funds of groups or organizations, which although associated with the school system, have not originated with the Board; such as Band Boosters, Parent-Teacher Associations, and others.

The financial statements of the District include those separately administered organizations that are controlled by or dependent on the Board. Control or dependence is determined on the basis of budget adoption, funding, and appointment of the respective governing board.

Based on the foregoing criteria, the financial statements of the following organization are included in the accompanying financial statements:

**Bellevue Independent Board of Education Finance Corporation** – The Board authorized the establishment of the Bellevue Independent Board of Education Finance Corporation (Corporation), (a non-profit, non-stock, public and charitable corporation organized under the School Bond Act and KRS 273 and KRS 58.180) as an agency of the District for financing the costs of school building facilities. The members of the Board also comprise the Corporation’s Board of Directors.

### **Basis of Presentation**

The 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 District as a whole. These statements include the financial activities of the primary government.

The statement of net position presents the financial condition of the District as a whole. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function.

**NOTE 1: ACCOUNTING POLICIES (CONTINUED)**

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the 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 District.

**Fund Financial Statements**

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to determine legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds, if any, are presented in a single column.

**Governmental Fund Types**

The *General Fund* is the primary operating fund of the District. This used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Kentucky. This is a major fund of the District.

The *Special Revenue Fund* accounts for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to disbursements for specified purposes. It includes federal financial programs where unused balances are returned to the grantor at the close of the specified project periods as well as state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. The separate projects of federally-funded grant programs are identified in the Schedule of Expenditures of Federal Awards included in this report. This is a major fund of the District.

The *District Activity Fund* is a special revenue fund that accounts for funds received at the school level.

The *School Activity Fund* is a special revenue fund that accounts for activities of student groups and other types of activities requiring clearing accounts. These funds are accounted for in accordance with the *Uniform Program of Accounting for School Activity Funds*.

The *Capital Outlay Fund* is the Support Education Excellence in Kentucky (SEEK) fund and receives those funds designated by the state as capital outlay funds and is restricted for use in financing projects identified by the district's facility plan.

The *Building Fund* is the Facility Support Program of Kentucky (FSPK) fund and accounts for funds generated by the building tax levy required to participate in the School Facilities Construction Commission's construction funding and state matching funds, where applicable. Funds may be used for projects identified in the District's facility plan.

The *Construction Fund* is used to account for proceeds from sales of bonds and other revenues to be used for authorized construction. This is a major fund of the District.

**NOTE 1: ACCOUNTING POLICIES (CONTINUED)**

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related cost, as required by state law.

**Proprietary Fund Types (Enterprise Funds)**

The *Food Service Fund* accounts for school food service activities, including the National School Lunch Program, which is conducted in cooperation with the U.S. Department of Agriculture (USDA). Amounts have been recorded for in-kind contribution of commodities from the USDA. This is a major fund of the District.

The *Summer Enrichment Fund* accounts for school summer enrichment programs.

The *Adult Education Fund* accounts for adult education activities.

**Fiduciary Fund Types**

Fiduciary funds account for assets held by the District in a trustee capacity for the benefit of others and cannot be used to support District activities.

**Measurement Focus and Basis of Accounting**

***Government-wide Financial Statements***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The District also reports a fiduciary fund which focuses on net position and changes in net position.

***Fund Financial Statements***

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within sixty days of year end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures as well as expenditures related to long-term compensated absences and postemployment benefits are recorded only when payment is due.

**Assets, Liabilities, Deferred Inflows/Outflows, and Net Position/Fund Balance**

***Cash and Cash Equivalents***

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an initial maturity date of ninety days or less.

**NOTE 1: ACCOUNTING POLICIES (CONTINUED)**

The District is authorized by state statute to invest in the following subject to additional requirements of KRS 66.480:

- Obligations of the United States and of its Agencies and instrumentalities
- Certificates of Deposit
- Bankers Acceptances
- Commercial Paper
- Bonds and Securities of other State and Local Governments
- Mutual Funds, Exchange Traded Funds, Individual Equity Securities and High-quality Corporate bonds managed by a professional investment manager

***Investments***

Investments with a maturity of less than one year are stated at cost. Investments with a maturity greater than one year are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

***Receivables***

*Accounts receivables* are presented, when necessary, net of an allowance for doubtful accounts. No allowance has been recorded for the current fiscal year.

***Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and disposals during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated except for land. 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>
Buildings	50 Years
Improvements	20 Years
Infrastructure	40 Years
Vehicles	7 Years
General equipment	7 Years

**NOTE 1: ACCOUNTING POLICIES (CONTINUED)**

***Deferred Outflows***

Deferred outflows of resources represent a consumption of net position that applies to a future period, and therefore, are deferred until that time. The District recognized deferred outflows of resources related to pensions and other postemployment benefits on the government-wide financial statements.

***Payables and Accrued Liabilities***

All payables and accrued liabilities are reported on the government-wide financial statements and 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, compensated absences, contractually required pension and OPEB contributions that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and other long-term obligations are recognized as a liability on the governmental fund financial statements when due.

***Compensated Absences***

Compensated absences are payments to employees for accumulated sick leave. These amounts also include the related employer's share of applicable taxes and retirement contributions. District employees may accumulate unused sick leave up to a specified amount depending on their date of hire. Sick leave is payable to employees upon termination or retirement at 30.00% of the current rate of pay on the date of termination or retirement. The District uses the termination method to calculate the compensated absences amounts. The entire compensated absence liability is reported on the government-wide financial statements. The current portion is the amount estimated to be used in the following year. An expenditure is recognized in the governmental fund as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

***Long-Term Obligations***

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. Long-term debt consists of bonds, notes, and lease liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as an other financing source and payment of principal and interest are reported as expenditures.

***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employee Retirement System (CERS) and additions to/deductions from CERS' fiduciary net position have been determined on the same basis of as they are reported by CERS. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**NOTE 1: ACCOUNTING POLICIES (CONTINUED)**

***Other Post Employment Benefits (OPEB)***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County Employee Retirement System (CERS) and additions to/deductions from CERS' fiduciary net position have been determined on the same basis of as they are reported by CERS. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

***Deferred Inflows***

Deferred inflows of resources represent an acquisition of net position that applies to a future period and, are therefore, deferred until that time. The District recognized deferred inflows of resources related to pension and other postemployment benefits on the government-wide financial statements. In the governmental funds, certain revenue transactions have been reported as unavailable revenue. Revenue that is earned by not available is reported as a deferred inflow of resources until such time as the revenue becomes available.

***Net Position***

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

*Restricted* net position consists of restricted net assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use by external parties or by law through enabling legislation.

*Unrestricted* net position is the amount of net amount of assets, deferred outflows, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

***Fund Balance***

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

*Nonspendable*. Amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

**NOTE 1: ACCOUNTING POLICIES (CONTINUED)**

*Restricted.* Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, state or federal laws, or externally imposed conditions by grantors or creditors.

*Committed.* Amounts that can be used only for specific purposes determined by a formal action by District Council ordinance.

*Assigned.* Amounts that are designated for a specific purpose but are not spendable until a budget ordinance is passed or a there is majority passed vote by District Council.

*Unassigned.* All amounts not included in other spendable classifications.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance, and then to committed, assigned, and unassigned fund balances in that order.

**Revenues and Expenditures/Expenses**

***Property Taxes***

Property taxes are levied in September on the assessed value listed as of the prior January 1 for all the real and personal property in the county. The billings are considered due upon receipt by the taxpayer; however, the actual date is based on a period ending 30 days after the tax bill mailing. Property taxes collected are recorded as revenues in the fiscal year for which they were levied. All taxes collected are initially deposited into the General Fund and then transferred to the appropriate fund.

The District levies a utility gross receipts license tax on telephone communication services, cablevision services, electric power, water, and gas furnished within the District's boundaries.

***Revenues***

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

***Expenses/Expenditures***

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on the 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, are not recognized in governmental funds.

**NOTE 1: ACCOUNTING POLICIES (CONTINUED)**

**Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic financial statements.

**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 in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, where are presented as internal balances.

**Extraordinary and Special Items**

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

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the District's management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

**Subsequent Events**

The District evaluated subsequent events for potential recognition and disclosure through January 11, 2026, the date the financial statements were available to be issued.

**NOTE 2: CASH AND INVESTMENTS**

At year end, the District's bank balance was \$20,038,919 and the carrying amount was \$19,943,312 . The bank balance was fully covered by FDIC insurance and collateralized securities held by the financial institution, but not in the name of the District.

Fund	Bank Account		Total
	Wesbanco	US Bank	
General	\$ 4,065,825	\$ -	\$ 4,065,825
Special revenue	-	-	-
District activity	51,951	-	51,951
Student activity	80,903	-	80,903
Capital outlay	281,533	-	281,533
Building	726,657	-	726,657
Construction	7,211,468	7,070,112	14,281,580
Debt service	-	-	-
Food service	348,553	-	348,553
Trust	106,310	-	106,310
<b>Total funds</b>	<b>\$ 12,873,200</b>	<b>\$ 7,070,112</b>	<b>\$ 19,943,312</b>

Bank balance	\$ 12,968,807	\$ 7,070,112	\$ 20,038,919
Outstanding items	(95,607)	-	(95,607)
<b>Book balance</b>	<b>\$ 12,873,200</b>	<b>\$ 7,070,112</b>	<b>\$ 19,943,312</b>

Governmental funds	\$ 19,488,449
Proprietary fund	348,553
Fiduciary fund	106,310
<b>Total funds</b>	<b>\$ 19,943,312</b>

*Custodial credit risk- deposits.* This is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with state statute depository restrictions.

**NOTE 3: RECEIVABLES**

The District reported the following receivables:

	General	Special Revenue	Total
Property tax	\$ 56,037	\$ -	\$ 56,037
Motor vehicle tax	52,616	-	52,616
State revenue	-	14,000	14,000
Federal revenue	-	488,923	488,923
<u>Total investments at fair value</u>	<u>108,653</u>	<u>502,923</u>	<u>611,576</u>

The District believes that all receivables are fully collectible and no allowance has been recorded

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**NOTE 4: CAPITAL ASSETS**

Capital assets activity for the year is summarized below:

	Balance 6/30/2024	Increases	Decreases	Balance 6/30/2025
<b>Governmental Activities</b>				
Land	\$ 175,987			\$ 175,987
Land and improvements	320,620		98,312	222,308
Buildings and improvements	8,895,874	6,979,148		15,875,022
Technology equipment	1,237,887		1,237,887	-
Vehicles	368,766	39,999	180,271	228,494
General equipment	258,384		163,730	94,654
Construction in progress	8,169,153	10,305,864	8,169,153	10,305,864
<b>Total at historical cost</b>	<b>19,426,671</b>	<b>17,325,011</b>	<b>9,849,353</b>	<b>26,902,329</b>
Less accumulated depreciation				
Land and improvements	145,728	11,115	98,312	58,531
Buildings and improvements	7,007,712	173,587	-	7,181,299
Technology equipment	1,273,326	2,516	1,275,842	-
Vehicles	215,097	20,742	71,941	163,898
General equipment	233,888	3,998	163,730	74,156
<b>Total accumulated depreciation</b>	<b>8,875,751</b>	<b>211,958</b>	<b>1,609,825</b>	<b>7,477,884</b>
<b>Capital assets - net</b>	<b>\$ 10,550,920</b>	<b>\$ 17,113,053</b>	<b>\$ 8,239,528</b>	<b>\$ 19,424,445</b>
	Balance 6/30/2024	Increases	Decreases	Balance 6/30/2025
<b>Business-type Activities</b>				
Technology equipment	\$ 4,774	\$ -	\$ 4,774	\$ -
General equipment	354,269	33,250	226,801	160,718
<b>Total at historical cost</b>	<b>359,043</b>	<b>33,250</b>	<b>231,575</b>	<b>160,718</b>
Less accumulated depreciation				
Technology equipment	4,774	-	4,774	-
General equipment	269,477	11,905	195,336	86,046
<b>Total accumulated depreciation</b>	<b>274,251</b>	<b>11,905</b>	<b>200,110</b>	<b>86,046</b>
<b>Capital assets - net</b>	<b>\$ 84,792</b>	<b>\$ 21,345</b>	<b>\$ 31,465.00</b>	<b>\$ 74,672</b>

**NOTE 4: CAPITAL ASSETS - CONTINUED**

Depreciation was charged to following government functions:

	<u>Governmental</u>	<u>Business-type</u>
Instruction	\$ 86,541	\$ -
District admin support	4,298	-
School admin support	38,172	-
Plant operations	66,920	-
Student transportation	14,467	-
Food service	-	11,905
Community services	1,560	-
<u>Depreciation expense</u>	<u>\$ 211,958</u>	<u>\$ 11,905</u>

**NOTE 5: LONG-TERM LIABILITIES**

Long-term liability activity for the year is summarized below:

	Balance			Amount		
<b>Governmental Activities:</b>	July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year	Long- Term
Compensated absences	\$ 138,819	\$ 276,992	\$ -	\$ 415,811	\$ -	\$ 415,811
KISTA bonds payable	-	154,472	15,979	138,493	15,034	123,459
Bonds payable	6,863,995	8,549,924	374,358	15,039,561	508,896	14,530,665
Net OPEB liability	1,416,000	-	188,000	1,228,000	-	1,228,000
Net pension liability	2,330,370	-	351,039	1,979,331	-	1,979,331
<u>Total long-term liabilities</u>	<u>\$ 10,749,184</u>	<u>\$ 8,981,388</u>	<u>\$ 929,376</u>	<u>\$ 18,801,196</u>	<u>\$ 523,930</u>	<u>18,277,266</u>

	Balance			Amount		
<b>Business-type Activities</b>	July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year	Long- Term
Net OPEB liability	\$ -	\$ -	\$ -	\$ 0	\$ -	\$ -
Net pension liability	66,708	310,308	-	377,016	-	377,016
<u>Total long-term liabilities</u>	<u>\$ 66,708</u>	<u>\$ 310,308</u>	<u>\$ -</u>	<u>\$ 377,016</u>	<u>\$ -</u>	<u>377,016</u>

**Note 5a: Compensated absences**

Employees accrued sick time and personal leave based on classification and years of service. The accrued time is available for use as needed. Upon retirement from the school system, employees will receive from the District an amount equal to 30.00% of the value of accumulated sick leave. Under GASB 101, the District has accrued a compensated absence liability for the amount that is more likely than not to be used for time of or otherwise paid. The compensated absences at year end is \$415,811

**NOTE 5: LONG-TERM LIABILITIES – CONTINUED**

**Note 5b: Bonds Payable**

The District issues general obligations bonds to provide funds for the acquisition of equipment and the construction of facilities. The bonds are direct obligations and pledge the full faith and credit of the District. General obligations outstanding at year end are as follows:

Issue	Proceeds	Rates	Balance June 30, 2025
2019	\$ 690,000	1.600% - 3.000%	\$ 530,000
2021	\$ 815,000	3.000%	440,000
2021B	\$ 6,110,000	2.000% - 4.000%	5,245,000
2024	\$ 8,410,000	4.000% - 5.000%	8,410,000
<u>Bonds payable</u>			<u>14,625,000</u>
2019 Discount	\$ (4,470)		(3,129)
2021 Premium	\$ 89,079		53,447
2021B Premium	\$ 313,457		250,765
2024 Premium	\$ 113,478		113,478
<u>Bond premium, net</u>			<u>414,561</u>
<u>Bonds payable, net</u>			<u>\$ 15,039,561</u>

**NOTE 5: LONG-TERM LIABILITIES – CONTINUED**

**Note 5b: Bonds Payable – Continued**

Bond activity for the fiscal year is summarized below:

Issue	Balance			Balance June 30, 2025	Amount	
	June 30, 2024	Increases	Decreases		Due Within One Year	Long- Term
Series 2019	\$ 560,000	\$ -	\$ 30,000	\$ 530,000	\$ 100,000	\$ 430,000
Series 2021	540,000	-	100,000	440,000	460,000	(20,000)
Series 2021B	5,465,000	-	220,000	5,245,000	45,000	5,200,000
Series 2024	-	8,410,000	-	8,410,000	85,000	8,325,000
Total bonds	\$ 6,565,000	\$ 8,410,000	\$ 350,000	\$ 14,625,000	\$ 690,000	\$ 13,935,000
Bond premium, net	325,441	113,478	24,358	414,561	28,896	385,665
Bonds payable, net	\$ 6,890,441	\$ 8,523,478	\$ 374,358	\$ 15,039,561	\$ 718,896	\$ 14,320,665

Debt service requirements for the District’s general obligation bonds are as follows:

	Bellevue Independent School District		School Facility Construction Commission		Total Debt Service
	Principal	Interest	Principal	Interest	
2026	\$ 385,778	\$ 471,021	\$ 94,222	\$ 30,496	\$ 981,517
2027	402,882	454,720	97,118	27,599	982,319
2028	419,889	437,789	100,111	24,605	982,394
2029	434,151	420,275	50,849	21,481	926,756
2030	452,498	401,909	52,502	19,829	926,738
2031-2035	2,347,155	1,813,702	257,845	75,569	4,494,271
2036-2040	2,556,713	1,479,400	253,287	33,700	4,323,100
2041-2045	2,991,137	1,039,908	73,863	6,392	4,111,300
2046-2050	3,655,000	377,100	-	-	4,032,100
	<u>\$ 13,645,203</u>	<u>\$ 6,895,824</u>	<u>\$ 979,797</u>	<u>\$ 239,671</u>	<u>\$ 21,760,495</u>
			Total principal payments		\$ 14,625,000
			Total interest payments		7,135,495
			Total debt service		<u>\$ 21,760,495</u>

**NOTE 5: LONG-TERM LIABILITIES – CONTINUED**

**Note 5c: KISTA Bonds Payable**

KISTA Bond activity for the fiscal year is summarized below:

Issue	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025	Amount Due Within One Year	Long- Term
KISTA 2024	\$ -	\$ 154,572	\$ 15,979	\$ 138,593	\$ 15,034	\$ 123,559
<b>Total bonds</b>	<b>\$ -</b>	<b>\$ 154,572</b>	<b>\$ 15,979</b>	<b>\$ 138,593</b>	<b>\$ 15,034</b>	<b>\$ 123,559</b>

Debt service requirements for the District’s KISTA bonds are as follows:

	Bellevue Independent School District	
	Principal	Interest
2026	\$ 15,034	\$ 5,544
2027	14,130	4,942
2028	14,664	4,378
2029	15,281	3,790
2030	15,856	3,180
2031-2035	63,628	6,246
	<b>\$ 138,593</b>	<b>\$ 28,080</b>

**NOTE 6: PENSION PLANS**

The District's participates in the following retirement systems:

**County Employees' Retirement System (CERS).**

CERS is a component unit of the Commonwealth of Kentucky and covers employees whose position does not require a college degree or teaching certification.

**Teachers' Retirements System (TRS)**

TRS is a blended component unit of the Commonwealth of Kentucky and covers employees whose position requires a teaching certification or otherwise requires a college degree.

**Pension plan fiduciary net position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CERS and TRS financial report.

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## **NOTE 6a: CERS PENSION PLAN**

### **General Information about the CERS Pension Plan**

#### ***Plan Description***

Employees whose positions do not require a degree beyond a high school diploma are covered by the CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Retirement System, an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute (“KRS”) Section 61.645, the Board of Trustees of the Kentucky Retirement System administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/>.

#### ***Benefits Provided***

CERS provides retirement, death, and disability benefits to plan members. District employees participating in CERS are provided benefits through the nonhazardous plan. Employees are vested in the plan after five years of service. For retirement purposes, non-hazardous employees are grouped into three tiers based on hire date:

Tier 1	Participation date	Before September 1, 2008
	Unreduced retirement	27 years of service or 65 years old
	Reduced retirement	At least 5 years of service and 65 years old, or At least 25 years of service and any age
Tier 2	Participation date	September 1, 2008 to December 31, 2013
	Unreduced retirement	At least 5 years of service and 65 years old, or Age 57 and sum of service years plus age equal 87
	Reduced retirement	At least 10 years of service and 60 years old
Tier 3	Participation date	After December 31, 2013
	Unreduced retirement	At least 5 years of service and 65 years old, or Age 57 and sum of service years plus age equal 87
	Reduced retirement	Not available

#### ***Contributions***

*Employees* – Tier 1 plan members are required to contribute 5% of their creditable compensation. Employees who begin participation on or after September 1, 2008 (Tier 2 and Tier 3) are required to contribute an additional 1%.

*Employers* – The contribution rate for the current year was 19.71%. The District made all required contributions for fiscal year in the amount of \$247,030 .

**NOTE 6a: CERS PENSION PLAN – CONTINUED**

***Pension Liability***

At June 30, 2025, the District reported a liability of \$2,356,347 for its proportionate share of the net pension liability for CERS. The net pension liability for the plan was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability for CERS was based on the actual liability of the employees and former employees relative to the total liability of the System as determined by the actuary. At June 30, 2022, the District’s proportion was 0.0394%.

***Pension Expense***

For the year ended June 30, 2025, the District recognized pension expense of (\$133,888) related to CERS

***Deferred Outflows of Resources and Deferred Inflows of Resources***

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

	Deferred Outflow	Deferred Inflow	Net Deferral
Change in liability experience	\$ 114,052	\$ -	
Change of assumptions	-	106,461	
Change in investment experience	-	151,500	
Change in proportionate share of contributions	77,990	82,059	
	192,042	<u>\$ 340,020</u>	<u>\$ (147,978)</u>
Subsequent contributions	<u>247,030</u>		
Total	<u>\$ 439,072</u>		

The contributions subsequent to the measurement date of \$247,030 will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The net deferral of (\$147,978) will be recognized in pension expense as follows:

Year ending June 30	Net Deferral
2026	\$ (129,636)
2027	73,658
2028	(58,238)
2029	<u>(33,762)</u>
	<u>\$ (147,978)</u>

**NOTE 6a: CERS PENSION PLAN – CONTINUED**

**Actuarial assumptions**

The total pension liability, net pension liability, and sensitivity information as of June 30, 2024 were based on an actuarial valuation date of June 30, 2023. The total pension liability was rolled forward from the valuation date to the plan’s fiscal year ending June 30, 2024, using generally accepted actuarial principles

There have been no assumption, method, or plan provision changes that would materially impact the total pension liability since June 30, 2023.

The significant actuarial assumptions are:

Employer fiscal year end	2025
Plan year end	2024
Actuarial valuation date	June 30, 2023
Inflation	2.50%
Salary increases	3.00% to 7.50%
Investment return	7.10%
Post-retirement adjustment	1.50%
Municipal bond index rate	3.94%
Single equivalent interest rate	7.10%

**Long-term expected rate of return**

The long-term expected rate of return was determined by using a building block method in which best estimate ranges of expected future real rates of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rate of return for each major asset class is summarized in the tables below.

Asset Class	Target Allocation	Long-term Expected Nominal Return
Public equity	50.00%	5.90%
Private Equity	10.00%	11.73%
Core Bonds	10.00%	2.45%
Specialty credit/high yield	10.00%	3.65%
Cash	0.00%	1.39%
Real Estate	7.00%	4.99%
Real Return	13.00%	5.15%
Expected real return	100.00%	
Long-term inflation assumption		2.50%

**NOTE 6a: CERS PENSION PLAN – CONTINUED**

**Discount Rate**

The discount rate used to measure the total pension liability was . The projection of cash flows used to determine the discount rate assumed that contributions from plan employees and employers will be made at statutory contribution rates. The long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

**Sensitivity of District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the District’s proportionate share of the net pension liability calculated using the discount rate as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>5.50%</b>	<b>6.50%</b>	<b>7.50%</b>
District's proportionate share of the CERS net pension liability	\$ 3,037,716	\$ 2,356,347	\$ 1,790,990

## **NOTE 6b: TRS PENSION PLAN**

### **Plan Description**

Teaching certified employees of the District and other employees whose positions require at least a college degree are provided pensions through the Teachers' Retirement System of the State of Kentucky (KTRS)—a cost-sharing multiple-employer defined benefit pension plan with a special funding situation established to provide retirement annuity plan coverage for local school districts and other public educational agencies in the Commonwealth. KTRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the KRS. KTRS is a blended component unit of the Commonwealth of Kentucky and therefore is included in the Commonwealth's financial statements. KTRS issues a publicly available financial report that can be obtained at [http://www.ktrs.ky.gov/05\\_publications/index.htm](http://www.ktrs.ky.gov/05_publications/index.htm).

### **Benefits Provided**

For employees who have established an account in a retirement system administered by the Commonwealth prior to July 1, 2008, employees become vested when they complete five (5) years of credited service. To qualify for monthly retirement benefits, payable for life, employees must either:

- 1.) Attain age fifty-five (55) and complete five (5) years of Kentucky service, or
- 2.) Complete 27 years of Kentucky service.

Participants that retire before age 60 with less than 27 years of service receive reduced retirement benefits. Non-university employees with an account established prior to July 1, 2002 receive monthly payments equal to two (2) percent (service prior to July 1, 1983) and two and one-half (2.5) percent (service after July 1, 1983) of their final average salaries for each year of credited service. New employees (including second retirement accounts) after July 1, 2002 will receive monthly benefits equal to 2% of their final average salary for each year of service if, upon retirement, their total service less than ten years. New employees after July 1, 2002 who retire with ten or more years of total service will receive monthly benefits equal to 2.5% of their final average salary for each year of service, including the first ten years. In addition, employees who retire July 1, 2004 and later with more than 30 years of service will have their multiplier increased for all years over 30 from 2.5% to 3.0% to be used in their benefit calculation. Effective July 1, 2008, the System has been amended to change the benefit structure for employees hired on or after that date.

Final average salary is defined as the member's five (5) highest annual salaries for those with less than 27 years of service. Employees at least age 55 with 27 or more years of service may use their three (3) highest annual salaries to compute the final average salary. KTRS also provides disability benefits for vested employees at the rate of sixty (60) percent of the final average salary. A life insurance benefit, payable upon the death of a member, is \$2,000 for active contributing employees and \$5,000 for retired or disabled employees.

Cost of living increases are one and one-half (1.5) percent annually. Additional ad hoc increases and any other benefit amendments must be authorized by the General Assembly.

**NOTE 6b: TRS PENSION PLAN – CONTINUED**

**Contributions**

Contribution rates are established by Kentucky Revised Statutes (KRS). Non-university employees are required to contribute 12.855% of their salaries to the System. University employees are required to contribute 10.400% of their salaries. KRS 161.580 allows each university to reduce the contribution of its employees by 2.215%; therefore, university employees contribute 8.185% of their salary to KTRS.

The Commonwealth of Kentucky, as a non-employer contributing entity, pays matching contributions at the rate of 13.105% of salaries for local school district and regional cooperative employees hired before July 1, 2008 and 14.105% for those hired after July 1, 2008. For local school district and regional cooperative employees whose salaries are federally funded, the employer contributes 16.105% of salaries. If an employee leaves covered employment before accumulating five (5) years of credited service, accumulated employee pension contributions plus interest are refunded to the employee upon the member's request.

**Pension Liability**

The District did not report a liability for the District's proportionate share of the net pension liability for TRS because the Commonwealth of Kentucky provides the pension support directly to TRS on behalf of the District. The State's proportionate share of the TRS net pension liability associated with the district is \$45,725,551 .

**Pension Expense**

For the year ended June 30, 2025, the District recognized pension expense of \$1,127,918 related to TRS. The District also recognized revenue of \$1,127,918 for TRS support provided by the Commonwealth.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

The District did not report any deferred outflows of resources or deferred inflows of resources related to the TRS plan.

**Actuarial assumptions**

The assumption for the municipal bond index rate increased from 3.66% to 3.94%.

The significant actuarial assumptions are:

Employer fiscal year end	2025
Plan year end	2024
Actuarial valuation date	June 30, 2023
Inflation	2.50%
Salary increases	3.00% to 7.50%
Investment return	7.10%
Post-retirement adjustment	1.50%
Municipal bond index rate	3.94%
Single equivalent interest rate	7.10%

**NOTE 6b: TRS PENSION PLAN – CONTINUED**

**Long-term expected rate of return**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Asset Class	Target Allocation	Long-term Expected Nominal Return
Large Cap U.S. Equity	35.40%	5.00%
Small Cap U.S. Equity	2.60%	5.50%
Developed International Equity	15.70%	5.50%
Emerging Markets Equity	5.30%	6.10%
Fixed Income	15.00%	1.90%
High Yield Bonds	2.00%	3.80%
Other Categories	8.00%	3.60%
Real Estate	7.00%	3.20%
Private Equity	7.00%	8.00%
Cash	2.00%	1.60%
Expected real return	100.00%	
Long-term inflation assumption		2.50%

**Discount rate**

The discount rate used to measure the total pension liability was %. The projection of cash flows used to determine the discount rate assumed that contributions from plan employees and employers will be made at statutory contribution rates. The long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

**NOTE 7: OPEB PLANS**

The District participates in the following retirement systems:

**County Employees' Retirement System (CERS)**

CERS is a component unit of the Commonwealth of Kentucky and covers employees whose position does not require a college degree or teaching certification. See Note 7a.

**Teachers Retirement System (TRS)**

TRS is a blended component unit of the Commonwealth of Kentucky and covers employees whose position requires teaching certification or otherwise requires a college degree. See Note 7b.

**OPEB plan fiduciary net position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CERS and TRS financial report.

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**NOTE 7a – CERS OPEB PLAN**

**Plan Description**

The CERS Insurance Fund is a cost-sharing, multiple-employer defined benefit OPEB plan which provides group health insurance benefits for plan members that are regular full-time members employed in positions of each participating county, city, and school board, and any additional eligible local agencies electing to participate in the System. OPEB benefits may be extended to beneficiaries of plan members under certain circumstances. The Plan is administered by the CERS Board of Trustees and is divided into a divided into non-hazardous duty and hazardous duty classifications.

**Benefits Provided**

The CERS Insurance Fund provides hospital and medical benefits to eligible plan members receiving benefits from CERS. The eligible non-Medicare retirees are covered by the Department of Employee Insurance (DEI) plans. Premium payments are submitted to DEI. The KRS board contracts with Humana to provide health care benefits to the eligible Medicare retirees. The CERS Insurance Fund pays a prescribed contribution for whole or partial payment of required premiums to purchase hospital and medical insurance.

Tier 1	Participation date	Before September 1, 2008
	Unreduced retirement	27 years of service or 65 years old
	Reduced retirement	At least 5 years of service and 65 years old, or At least 25 years of service and any age
Tier 2	Participation date	September 1, 2008 to December 31, 2013
	Unreduced retirement	At least 5 years of service and 65 years old, or Age 57 and sum of service years plus age equal 87
	Reduced retirement	At least 10 years of service and 60 years old
Tier 3	Participation date	After December 31, 2013
	Unreduced retirement	At least 5 years of service and 65 years old, or Age 57 and sum of service years plus age equal 87
	Reduced retirement	Not available

**Contributions**

*Employee Contributions.* Tier 1 plan members are not required to contribute. Employees who begin participation on or after September 1, 2008 (Tier 2 and Tier 3) are required to contribute 1.0% of creditable compensation to an account created for payment of health insurance benefits.

*Employer Contributions* – The contribution rate for the current year was 0.00%. The District made all required contributions for the fiscal year in the amount of \$0 .

**NOTE 7a: CERS OPEB PLAN – Continued**

**OPEB Liability (Asset)**

At June 30, 2025, the District reported an asset of \$98,222 for its proportionate share of the net OPEB liability (asset) for CERS. The net OPEB liability (asset) for the plan was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB liability (asset) was based on the District’s share of 2024 contributions to the OPEB plan relative to the 2024 contributions of all participating employers, actuarially determined. At June 30, 2023 the District’s proportionate share was 0.03944%.

**OPEB Expense**

For the year ended June 30, 2025, the District recognized OPEB expense of (\$204,800) related to CERS.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

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

	Deferred Outflow	Deferred Inflow	Net Deferral
Change in liability experience	\$ 37,849	\$ 536,770	
Change of assumptions	61,817	48,138	
Change in investment experience	-	62,256	
Change in proportionate share of contributions	34,949	53,376	
	<u>134,615</u>	<u>\$ 700,540</u>	<u>\$ (565,925)</u>
Subsequent contributions	-		
Total	<u>\$ 134,615</u>		

The contributions subsequent to the measurement date of \$0 will be recognized as a reduction of the net pension liability in the subsequent year. The net deferral of (\$565,925) will be recognized in pension expense as follows:

Year ending June 30	Net Deferral
2026	\$ (227,430)
2027	(178,682)
2028	(157,776)
2029	<u>(2,037)</u>
	<u>\$ (565,925)</u>

**NOTE 7a: CERS OPEB PLAN – Continued**

**Actuarial assumptions**

There was a change in the investment return assumption from 5.70% to 5.93%. The total pension liability as of June 30, 2023 was determined using these updated assumptions.

Employer fiscal year end	2025
Plan year end	2024
Actuarial valuation date	June 30, 2023
Payroll growth rate	2.00%
Investment return	6.25%
Inflation	2.30%
Salary increase - nonhazardous	3.30% - 10.30%
Salary increase - hazardous	3.55% - 19.05%

**Long-term expected rate of return**

The long-term expected rate of return was determined by using a building block method in which best estimate ranges of expected future real rates of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rate of return for each major asset class is summarized in the table below:

Asset Class	Target Allocation	Long-term Expected Nominal Return
Public equity	50.00%	5.90%
Private Equity	10.00%	11.73%
Core Bonds	10.00%	2.45%
Specialty credit/high yield	10.00%	3.65%
Cash	0.00%	1.39%
Real Estate	7.00%	4.99%
Real Return	13.00%	5.15%
Expected real return	100.00%	
Long-term inflation assumption		2.50%

**NOTE 7a – CERS OPEB PLAN – Continued**

**Discount rate**

The discount rate used to measure the total pension liability was . The projection of cash flows used to determine the discount rate assumed that contributions from plan employees and employers will be made at statutory contribution rates. The long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

**Sensitivity of District’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following table presents the District’s proportionate share of the net OPEB liability calculated using the discount rate as well as what the District’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u> 4.99%	<u>Current</u> Discount Rate 5.99%	<u>1% Increase</u> 6.99%
District's proportionate share of the CERS net OPEB liability (asset)	\$ 92,243	\$ (68,222)	\$ (203,141)

**Sensitivity of the District’s Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The following presents the District’s proportionate share of the net OPEB liability calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current</u> Trend Rate	<u>1% Increase</u>
District's proportionate share of the CERS net OPEB liability (asset)	\$ (164,133)	\$ (68,222)	\$ 43,508

#### **NOTE 7b – TRS OPEB Health Insurance Plan**

##### **Plan Description**

District and other employees whose positions require at least a college degree are provided OPEBs through the Teachers' Retirement System of the State of Kentucky (TRS) - a cost-sharing multiple-employer defined OPEB pension plan with a special funding situation established to provide retirement, health, and life insurance benefits for local school districts and other public educational agencies in the state.

TRS provides post-employment healthcare benefits to eligible members and dependents. The TRS Health Insurance Trust is a cost-sharing multiple-employer defined benefit plan with a special funding situation, funded by employer and member contributions.

##### **Benefits Provided**

To be eligible for medical benefits, the member must have retired either for service or disability and have the required amount of service credit. The plan offers coverage to employees under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. Once retired employees and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the TRS Medicare Eligible Health Plan.

##### **Contributions**

Local school districts contribute 3.00% of members' salaries and the state contributes the net cost of the health insurance premiums. The District made all required contributions for the fiscal year in the amount of \$118,302 .

##### **OPEB Liability**

At June 30, 2025, the District reported a liability of \$1,228,000 for its proportionate share of the net OPEB liability for TRS . The net OPEB liability for the plan was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's share of 2024 contributions to the OPEB plan relative to the 2024 contributions of all participating employers, actuarially determined. At June 30, 2024 the District's proportionate share was 0.05508%.

##### **OPEB Expense**

For the year ended June 30, 2025, the District recognized OPEB expense of (\$168,743) related to TRS.

**NOTE 7b – TRS OPEB Health Insurance Plan - Continued**

**Deferred Outflows of Resources and Deferred Inflows of Resources**

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

	Deferred Outflow	Deferred Inflow	Net Deferral
Change in liability experience	\$ -	\$ 369,000	
Change of assumptions	313,000	-	
Change in investment experience	-	39,000	
Change in proportionate share of contributions	365,000	458,000	
	678,000	<u>\$ 866,000</u>	<u>\$ (188,000)</u>
Subsequent contributions	<u>118,302</u>		
Total	<u>\$ 796,302</u>		

The contributions subsequent to the measurement date of \$118,302 will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The net deferral of will be recognized in pension expense as follows:

Year ending June 30	Net Deferral
2026	\$ (99,000)
2027	1,000
2028	6,000
2029	(40,000)
2030	(48,000)
Thereafter	<u>(8,000)</u>
	<u>\$ (188,000)</u>

**NOTE 7b – TRS OPEB Health Insurance Plan - Continued**

**Actuarial assumptions**

Employer fiscal year end	2025
Plan year end	2024
Actuarial valuation date	June 30, 2023
Payroll growth rate	2.00%
Investment return	6.25%
Inflation	2.30%
Salary increase - nonhazardous	3.30% - 10.30%
Salary increase - hazardous	3.55% - 19.05%

**Long-term expected rate of return**

The long-term expected rate of return was determined by using a building block method in which best estimate ranges of expected future real rates of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rate of return for each major asset class is summarized in the tables below.

Asset Class	Target Allocation	Long-term Expected Nominal Return
Large Cap U.S. Equity	35.40%	5.00%
Small Cap U.S. Equity	2.60%	5.50%
Developed International Equity	15.00%	5.50%
Emerging Markets Equity	5.00%	6.10%
Fixed Income	9.00%	1.90%
High Yield Bonds	8.00%	3.80%
Other Categories	9.00%	3.70%
Real Estate	6.50%	3.20%
Private Equity	8.50%	8.00%
Cash	1.00%	1.60%
Expected real return	100.00%	
Long-term inflation assumption		2.50%

**NOTE 7b – TRS OPEB Health Insurance Plan - Continued**

**Discount rate**

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan employees and employers will be made at statutory contribution rates. The long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

**Sensitivity of District’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following table presents the District’s proportionate share of the net OPEB liability calculated using the discount rate as well as what the District’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>6.10%</u>	<u>7.10%</u>	<u>8.10%</u>
District's proportionate share of the TRS net OPEB liability	\$ 1,631,000	\$ 1,228,000	\$ 893,000

**Sensitivity of the District’s Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The following presents the District’s proportionate share of the net OPEB liability calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the TRS net OPEB liability	829,000	1,228,000	1,723,000

**Note 7c: Combined Deferred Outflows of Resources and Deferred Inflows of Resources**

The combined deferred outflows of resources and deferred inflows of resources for the CERS plan in Note 6A above and the TRS Health Trust are as follows:

	Deferred Outflow	Deferred Inflow	Net Deferral
Change in liability experience	\$ 37,849	\$ 905,770	
Change of assumptions	374,817	48,138	
Change in investment experience	-	101,256	
Change in proportionate share of contributions	399,949	511,376	
	<u>812,615</u>	<u>\$ 1,566,540</u>	<u>\$ (753,925)</u>
Subsequent contributions	<u>118,302</u>		
Total	<u>\$ 930,917</u>		

Contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent year. The net deferral will be recognized in OPEB expense as follows:

Year ending June 30	Net Deferral
2026	\$ (326,430)
2027	\$ (177,682)
2028	\$ (151,776)
2029	\$ (42,037)
2030	(48,000)
Thereafter	<u>(8,000)</u>
	<u>\$ (753,925)</u>

**Note 7d: TRS OPEB Life Insurance Trust**

**Plan Description**

District and other employees whose positions require at least a college degree are provided OPEBs through the Teachers' Retirement System of the State of Kentucky (TRS) - a cost-sharing multiple-employer defined OPEB pension plan with a special funding situation established to provide retirement, health, and life insurance benefits for local school districts and other public educational agencies in the state.

TRS provides life insurance benefits to retired and active members. The TRS Life Insurance Trust is a cost-sharing multiple-employer defined benefit plan with a special funding situation.

**Benefits Provided**

TRS provides a life insurance benefit of \$5,000 for members who are retired for service or disability and \$2,000 for active contributing members who began participating before January 1, 2022. For TRS 4 members, the life insurance benefit payable upon the death of a member is \$5,000 for active contributing members and \$10,000 for retired or disabled members.

**Contributions**

The state contributes 0.08% of members' salaries for the life insurance trust. Local school districts do not contribute to the plan.

**OPEB Liability**

The District did not report a liability for the District's proportionate share of the net OEBP liability for TRS because the Commonwealth of Kentucky provides the OPEB support directly to TRS on behalf of the District. The State's proportionate share of the TRS net OPEB liability associated with the district is \$25,000.

**OPEB Expense**

For the year ended June 30, 2025, the District recognized pension expense of \$13,454 related to TRS and on-behalf revenue of \$13,454 for TRS support provided by the Commonwealth.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

The District did not report any deferred outflows of resources and deferred inflows of resources related to the TRS plan.

**NOTE 8: ON-BEHALF**

For the year ended June 30, 2025, payments made by the Commonwealth of Kentucky on behalf of the District for insurance benefits, retirement benefits, technology, and debt service. The following amounts were recorded in the Statement of Activities and the Statement of Revenue, Expenditures, and Changes in Fund Balance:

Fund	
General	\$ 2,074,476
Debt service	114,179
Food service	<u>91,524</u>
	<u>\$ 2,280,179</u>

Type	
Retirement - TRS	\$ 1,127,918
Medical - TRS MIF	101,892
Life - TRS LIF	3,050
Health insurance	935,972
Less federal reimbursement	(71,386)
Life insurance	1,135
Administrative fee	9,076
HRA/Dental/Vision insurance	34,038
Technology	24,305
Debt service	<u>114,179</u>
	<u>\$ 2,280,179</u>

**NOTE 9: FUND TRANSFERS**

The following transfers were made during the year:

From	To	Purpose	Amount
General fund	Special revenue	Technology Match	\$ 10,136
Special revenue	Special revenue	Interfund projects	91,535
Special revenue	General fund	Indirect costs	510
Building fund	General fund	Projects	110,000
Building fund	Construction fund	Projects	384,913
Capital outlay	Construction fund	Projects	116,758
Building fund	Debt service	Debt service	571,666
Food service	General fund	Indirect costs	43,451
<u>Total transfers</u>			<u>\$ 1,328,969</u>

Transfers are reported in financial statements as follows:

	Transfers In	Transfers Out	Net Transfer
Governmental funds	\$ 1,328,969	\$ 1,285,518	\$ 43,451
Proprietary fund	-	43,451	(43,451)
	<u>\$ 1,328,969</u>	<u>\$ 1,328,969</u>	<u>\$ -</u>

**NOTE 10: CONTINGENCIES**

*Grants.* The District receives funding from federal and state agencies in the form of grants. These funds are to be used for designated purposes only. If the federal or state grantor finds that funds have not been used for the intended purposes, the grantor may request a refund of monies advanced or refuse to reimburse the District for its expenditures. The amount of such future refunds and unreimbursed expenditures, if any, is not expected to be significant. Continuation of the District's grant programs is contingent upon the grantors satisfaction that the funds provided are being spent as intended and the grantors intent to continue their programs.

*Litigation.* The District is party to various legal proceedings which normally occur in governmental operations. It is neither possible to determine the outcome of these proceedings nor possible to estimate the effects adverse decisions may have on the future expenditures or revenue sources of the District. In the opinion of District management and its legal counsel these legal proceedings are not likely to have a material adverse impact on the accompanying financial statements. Therefore, no provision for any liability that may result upon adjudication of any cases has been made in the accompanying financial statements

**NOTE 11: RISK MANAGEMENT**

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District has obtained insurance coverage through a commercial insurance company. In addition, the District has effectively managed risk through various employee education and prevention programs. All risk general liability management activities are accounted for in the General Fund. Expenditures and claims are recognized when probable that a loss has occurred, and the amount of loss can be reasonably estimated.

Management estimates that the amount of actual or potential claims against the District as of June 30, 2025, will not materially affect the financial condition of the District. Therefore, the General Fund contains no provision for estimated claims. No claim has exceeded insurance coverage amounts in the past three fiscal year.

**NOTE 12: DEFICIT FUND BALANCES AND CURRENT YEAR DEFICITS**

There are no funds that have a deficit balance at the end of the fiscal year.

The general fund had a current year deficit of \$(261,332).

The student activity fund had a current year deficit of \$(124,793).

The capital outlay fund had a current year deficit of \$(66,605).

The building fund had a current year deficit of \$(37,294).

**NOTE 13: ADJUSTMENTS TO AND RESTATEMENTS OF BEGINNING BALANCES**

During the fiscal year ended June 30, 2025, an error correction resulted in adjustments to and restatements of beginning fund net position and government-wide net position as follows:

	As previously reported		Change to or Within the Reporting Entity	Error Correction	As adjusted / corrected
	6/30/2024 Net Position / Fund Balance	Change in Accounting Principle			6/30/2024 Net Position / Fund Balance
Government-wide					
Governmental activities	\$ 5,862,381	\$ (189,286)	\$ -	\$ (150,872)	\$ 5,522,223
Business-type activities	324,065				324,065
Total primary government	<u>\$ 6,186,446</u>	<u>\$ (189,286)</u>	<u>\$ -</u>	<u>\$ (150,872)</u>	<u>\$ 5,846,288</u>
Governmental funds	<u>\$ 6,649,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (124,426)</u>	<u>\$ 6,524,976</u>
Proprietary fund	<u>\$ 324,065</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324,065</u>
Fiduciary fund	<u>\$ 31,840</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,646</u>	<u>\$ 101,486</u>

**NOTE 13: ADJUSTMENTS TO AND RESTATEMENTS OF BEGINNING BALANCES – CONTINUED**

The District made the following corrections to beginning net position / fund balance:

Decreased the unamortized bond premium balance by \$26,446 and decreased the school activity fund beginning balance by \$124,426.

**NOTE 14: CHANGES IN ACCOUNTING PRINCIPLES**

For fiscal year 2024, the District implemented Government Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections and GASB Statement No. 101, Compensated Absences.

GASB 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision-useful, understandable, and comprehensive information for users about accounting changes and error corrections. The implementation of GASB 100 did not have any effect on beginning net position/ fund.

GASB 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs 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. Beginning net position decreased \$189,286 as a result of GASB 101 implementation.

**REQUIRED SUPPLEMENTARY INFORMATION**

Bellevue Independent School District  
 Budgetary Comparison Schedule – General Fund  
 Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		Final to Actual
<b>Revenues</b>				
From local sources:				
Property taxes	\$ 3,903,735	\$ 3,903,735	\$ 4,003,818	\$ 100,083
Motor vehicle taxes	422,243	422,243	446,933	24,690
Earnings on investments	40,000	40,000	239,235	199,235
Tuition	10,000	10,000	14,715	4,715
Other local revenue	6,500	6,500	70,297	63,797
Intergovernmental state:				
SEEK	1,101,627	1,101,627	1,059,092	(42,535)
On-behalf	-	-	2,074,476	2,074,476
Other	35,946	35,946	37,320	1,374
Intergovernmental federal	-	-	1,500	
Federal direct	20,000	20,000	69,293	49,293
<b>Total revenues</b>	<b>5,540,051</b>	<b>5,540,051</b>	<b>8,016,679</b>	<b>2,475,128</b>
<b>Expenditures</b>				
Instruction	3,626,682	3,626,682	4,768,025	(1,141,343)
Support services:				
Student	592,910	592,910	532,160	60,750
Instruction staff	711,257	711,257	489,269	221,988
District administrative	1,013,668	1,013,668	582,049	431,619
School administrative	497,168	497,168	498,067	(899)
Business support	523,453	523,453	409,971	113,482
Plant operation and maintenance	2,096,528	2,096,528	1,033,612	1,062,916
Student transportation	171,228	171,228	230,623	(59,395)
Community services	12,954	12,954	11,966	988
Building construction	20,000	20,000	-	20,000
Debt service				
Principal	26,143	26,143	15,979	10,164
Interest	-	-	4,586	(4,586)
Contingency	681,784	681,784	-	681,784
<b>Total expenditures</b>	<b>9,973,775</b>	<b>9,973,775</b>	<b>8,576,307</b>	<b>1,397,468</b>
Excess of revenues over (under) expenditures	(4,433,724)	(4,433,724)	(559,628)	3,874,096
<b>Other financing sources (uses)</b>				
Transfers in	140,000	140,000	153,960	13,960
Transfers out	-	-	(10,136)	(10,136)
KISTA bond proceeds	-	-	154,472	154,472
<b>Total other financing sources (uses)</b>	<b>140,000</b>	<b>140,000</b>	<b>298,296</b>	<b>158,296</b>
Net change in fund balances	(4,293,724)	(4,293,724)	(261,332)	4,032,392
Fund balances - beginning	4,293,724	4,293,724	4,347,404	53,680
<b>Fund balances - end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,086,072</b>	<b>\$ 4,086,072</b>

Bellevue Independent School District  
 Budgetary Comparison Schedule – Special Revenue Fund  
 Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance
	Original	Final		Final to Actual
<b>Revenues</b>				
From local sources:				
Other local revenue	\$ -	\$ -	\$ 33,926	\$ 33,926
Intergovernmental state:				
Other	531,445	531,445	536,812	5,367
Intergovernmental federal	558,693	558,693	1,823,535	1,264,842
<b>Total revenues</b>	<b>1,090,138</b>	<b>1,090,138</b>	<b>2,394,273</b>	<b>1,304,135</b>
<b>Expenditures</b>				
Instruction	935,518	935,518	1,251,240	(315,722)
Support services:				
Student	14,000	14,000	14,000	-
Instruction staff	324,419	324,419	394,193	(69,774)
Business support	-	-	345	(345)
Plant operation and maintenance	48,543	48,543	613,366	(564,823)
Community services	123,669	123,669	130,661	(6,992)
<b>Total expenditures</b>	<b>1,446,149</b>	<b>1,446,149</b>	<b>2,403,805</b>	<b>(957,656)</b>
Excess of revenues over (under) expenditures	(356,011)	(356,011)	(9,532)	346,479
<b>Other financing sources (uses)</b>				
Transfers in	-	-	101,672	101,672
Transfers out	(37,573)	(37,573)	(92,045)	(54,472)
<b>Total other financing sources (uses)</b>	<b>(37,573)</b>	<b>(37,573)</b>	<b>9,627</b>	<b>47,200</b>
Net change in fund balances	(393,584)	(393,584)	95	393,679
Fund balances - beginning	-	-	-	-
<b>Fund balances - end of year</b>	<b>\$ (393,584)</b>	<b>\$ (393,584)</b>	<b>\$ 95</b>	<b>\$ 393,679</b>

The District's budgetary process accounts for certain transactions on a basis other than Generally Accepted Accounting Principles (GAAP). The major differences between the budgetary accounting method and GAAP are:

Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

In accordance with state law, the District prepares a general school budget based upon the amount of revenue to be raised by local taxation, including the rate of levy and from estimates of other Local, State and Federal revenues. The budget contains estimated expenditures for current expenses, debt service, capital outlay and other necessary expenses. The budget must be approved by the Board.

The District must formally and publicly examine estimated revenues and expenditures for the subsequent fiscal year by January 31 of each calendar year.

The District must prepare an annual allocation to schools by March 1 of each year for the following fiscal year. This allocation must include the amount for certified and classified staff based on the District's staffing policy and the amount for instructional supplies, materials, travel and equipment.

The District must adopt a tentative working budget for the subsequent fiscal year by May 30 of each year. This budget must contain a minimum 2.00% contingency.

Finally, the District must adopt a final working budget and submit it to the Kentucky Department of Education by September 30 of the current fiscal year.

The Board has the ability to amend the working budget.

Bellevue Independent School District  
 Schedule of District's Share of Net Pension Liability and Contributions – CERS  
 June 30, 2025

**Schedule of District's Proportionate Share of the Net Pension Liability - CERS**

Year ended June 30	Measurement period June 30	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	2024	0.0394%	\$ 2,356,347	\$ 1,264,370	186.37%	61.60%
2024	2023	0.0374%	\$ 2,397,078	\$ 1,107,295	216.48%	57.48%
2023	2022	0.0411%	\$ 2,973,727	\$ 1,452,017	204.80%	52.42%
2022	2021	0.0403%	\$ 2,569,441	\$ 1,301,181	197.47%	55.95%
2021	2020	0.0387%	\$ 2,967,338	\$ 1,235,415	240.19%	47.81%
2020	2019	0.0322%	\$ 2,266,399	\$ 1,076,443	210.55%	50.45%
2019	2018	0.0378%	\$ 2,305,059	\$ 1,242,555	185.51%	53.54%
2018	2017	0.0383%	\$ 2,239,475	\$ 1,237,054	181.03%	53.32%
2017	2016	0.0395%	\$ 1,944,735	\$ 1,305,845	148.93%	55.50%
2016	2015	0.0367%	\$ 1,576,495	\$ 1,174,133	134.27%	59.97%

**Schedule of District's Contributions - CERS**

Year ended June 30	Contractually required contribution	Actual contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2025	\$ 247,030	\$ 247,030	\$ -	\$ 1,253,323	19.71%
2024	\$ 295,104	\$ 295,104	\$ -	\$ 1,264,370	23.34%
2023	\$ 259,107	\$ 259,107	\$ -	\$ 1,107,295	23.40%
2022	\$ 307,392	\$ 307,392	\$ -	\$ 1,452,017	21.17%
2021	\$ 251,128	\$ 251,128	\$ -	\$ 1,301,181	19.30%
2020	\$ 238,435	\$ 238,435	\$ -	\$ 1,235,415	19.30%
2019	\$ 174,599	\$ 174,599	\$ -	\$ 1,076,443	16.22%
2018	\$ 179,922	\$ 179,922	\$ -	\$ 1,242,555	14.48%
2017	\$ 172,569	\$ 172,569	\$ -	\$ 1,237,054	13.95%
2016	\$ 162,186	\$ 162,186	\$ -	\$ 1,305,845	12.42%
2015	\$ 149,702	\$ 149,702	\$ -	\$ 1,174,133	12.75%

**Schedule of District's Proportionate Share of the Net Pension Liability - TRS**

Year ended June 30	Measurement period June 30	District's proportion of the net pension liability	District's proportionate share of the net pension liability	State's proportionate share of the net pension liability associated with the District	District's covered payroll	District's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	2024	0.0000%	\$ -	\$ 45,725,561	\$ 8,919,000	0.00%	60.36%
2024	2023	0.0000%	\$ -	\$ 48,622,018	\$ 8,980,533	0.00%	57.68%
2023	2022	0.0000%	\$ -	\$ 38,782,509	\$ 9,080,267	0.00%	56.41%
2022	2021	0.0000%	\$ -	\$ 40,840,230	\$ 9,388,600	0.00%	65.59%
2021	2020	0.0000%	\$ -	\$ 38,033,090	\$ 8,514,955	0.00%	58.27%
2020	2019	0.0000%	\$ -	\$ 35,274,587	\$ 9,525,139	0.00%	58.76%
2019	2018	0.0000%	\$ -	\$ 79,502,497	\$ 9,434,495	0.00%	59.30%
2018	2017	0.0000%	\$ -	\$ 90,960,338	\$ 10,236,247	0.00%	39.83%
2017	2016	0.0000%	\$ -	\$ 72,203,325	\$ 10,278,171	0.00%	35.22%
2016	2015	0.0000%	\$ -	\$ 63,244,526	\$ 11,466,263	0.00%	42.49%

**Schedule of District's Contributions - TRS**

Year ended June 30	Contractually required contribution	Actual contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2025	\$ -	\$ -	\$ -	\$ 8,919,000	0.00%
2024	\$ -	\$ -	\$ -	\$ 8,980,533	0.00%
2023	\$ -	\$ -	\$ -	\$ 9,080,267	0.00%
2022	\$ -	\$ -	\$ -	\$ 9,388,600	0.00%
2021	\$ -	\$ -	\$ -	\$ 8,514,955	0.00%
2020	\$ -	\$ -	\$ -	\$ 9,525,139	0.00%
2019	\$ -	\$ -	\$ -	\$ 9,434,495	0.00%
2018	\$ -	\$ -	\$ -	\$ 10,236,247	0.00%
2017	\$ -	\$ -	\$ -	\$ 10,278,171	0.00%
2016	\$ -	\$ -	\$ -	\$ 10,095,979	0.00%

Bellevue Independent School District  
Schedule of District's Share of Net OPEB Liability and Contributions – CERS OPEB Plan  
June 30, 2025

**Schedule of District's Proportionate Share of the Net OPEB Liability - CERS**

Year ended June 30	Measurement period June 30	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability (asset)	District's covered payroll	District's proportionate share of the net OPEB liability as a percentage covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	2024	0.0394%	\$ (68,222)	\$ 1,253,323	-5.44%	57.05%
2024	2023	0.0374%	\$ (51,575)	\$ 1,264,370	-4.08%	52.96%
2023	2022	0.0411%	\$ 813,206	\$ 1,107,295	73.44%	60.95%
2022	2021	0.0403%	\$ 771,351	\$ 847,716	90.99%	58.41%
2021	2020	0.0387%	\$ 933,932	\$ 991,008	94.24%	51.67%
2020	2019	0.0322%	\$ 541,859	\$ 898,235	60.32%	60.44%
2019	2018	0.0378%	\$ 671,966	\$ 838,194	80.17%	57.62%
2018	2017	0.0383%	\$ 769,157	\$ 937,489	82.04%	52.39%

**Schedule of District's Contributions - CERS**

Year ended June 30	Contractually required contribution	Actual contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2025	\$ -	\$ -	\$ -	\$ 1,253,323	0.00%
2024	\$ -	\$ -	\$ -	\$ 1,264,370	0.00%
2023	\$ 37,444	\$ 37,444	\$ -	\$ 1,107,295	3.38%
2022	\$ 48,998	\$ 48,998	\$ -	\$ 847,716	5.78%
2021	\$ 47,172	\$ 47,172	\$ -	\$ 991,008	4.76%
2020	\$ 42,756	\$ 42,756	\$ -	\$ 898,235	4.76%
2019	\$ 44,089	\$ 44,089	\$ -	\$ 838,194	5.26%

Bellevue Independent School District  
 Schedule of District's Share of Net OPEB Liability and Contributions – TRS Medical Insurance Plan  
 June 30, 2025

**Schedule of District's Proportionate Share of the Net OPEB Liability - TRS Medical Insurance Plan**

Year ended June 30	Measurement period June 30	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability	State's proportionate share of the net OPEB liability associated with the District	District's covered payroll	District's proportionate share of the net OPEB liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	2024	0.0551%	\$ 1,228,000	\$ 1,094,000	\$ 3,943,400	31.14%	59.81%
2024	2023	0.1451%	\$ 1,416,000	\$ 1,193,000	\$ 3,819,599	37.07%	52.97%
2023	2022	0.2053%	\$ 1,851,000	\$ 608,000	\$ 3,671,345	50.42%	47.75%
2022	2021	0.0206%	\$ 1,128,000	\$ 916,000	\$ 3,111,233	36.26%	51.47%
2021	2020	0.0239%	\$ 1,351,000	\$ 1,082,000	\$ 3,151,833	42.86%	32.58%
2020	2019	0.0239%	\$ 1,686,000	\$ 1,362,000	\$ 3,344,267	50.41%	32.58%
2019	2018	0.0229%	\$ 2,047,000	\$ 1,764,000	\$ 3,503,200	58.43%	25.54%
2018	2017	0.0222%	\$ 2,250,000	\$ 1,838,000	\$ 3,603,800	62.43%	21.18%

**Schedule of District's Contributions - TRS Medical Insurance Plan**

Year ended June 30	Contractually required contribution	Actual contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2025	\$ 118,302	\$ 118,302	\$ -	\$ 3,943,400	3.00%
2024	\$ 114,559	\$ 114,559	\$ -	\$ 3,819,599	3.00%
2023	\$ 110,153	\$ 110,153	\$ -	\$ 3,671,345	3.00%
2022	\$ 93,337	\$ 93,337	\$ -	\$ 3,111,233	3.00%
2021	\$ 94,555	\$ 94,555	\$ -	\$ 3,151,833	3.00%
2020	\$ 100,328	\$ 100,328	\$ -	\$ 3,344,267	3.00%
2019	\$ 105,096	\$ 105,096	\$ -	\$ 3,503,200	3.00%
2018	\$ 108,114	\$ 108,114	\$ -	\$ 3,603,800	3.00%
2017	\$ 109,500	\$ 109,500	\$ -	\$ 3,650,000	3.00%

Bellevue Independent School District  
 Schedule of District's Share of Net OPEB Liability and Contributions – TRS Life Insurance Plan  
 June 30, 2025

**Schedule of District's Proportionate Share of the Net OPEB Liability - TRS Life Insurance Plan**

Year ended June 30	Measurement period June 30	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability	State's proportionate share of the net OPEB liability associated with the District	District's covered payroll	District's proportionate share of the net OPEB liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	2024	0.0000%	\$ -	\$ 25,000	\$ 3,943,400	0.00%	80.56%
2024	2023	0.0000%	\$ -	\$ 30,000	\$ 3,671,345	0.00%	76.91%
2023	2022	0.0000%	\$ -	\$ 30,000	\$ 3,111,233	0.00%	73.97%
2022	2021	0.0000%	\$ -	\$ 12,000	\$ 3,151,833	0.00%	89.15%
2021	2020	0.0000%	\$ -	\$ 33,000	\$ 3,344,267	0.00%	71.57%
2020	2019	0.0000%	\$ -	\$ 32,000	\$ 3,503,200	0.00%	73.40%
2019	2018	0.0000%	\$ -	\$ 30,000	\$ 3,603,800	0.00%	75.00%
2018	2017	0.0000%	\$ -	\$ 25,000	\$ 3,650,000	0.00%	79.99%

**Schedule of District's Contributions - TRS Life Insurance Plan**

Year ended June 30	Contractually required contribution	Actual contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2025	\$ -	\$ -	\$ -	\$ 3,943,400	0.00%
2024	\$ -	\$ -	\$ -	\$ 3,671,345	0.00%
2023	\$ -	\$ -	\$ -	\$ 3,111,233	0.00%
2022	\$ -	\$ -	\$ -	\$ 3,151,833	0.00%
2021	\$ -	\$ -	\$ -	\$ 3,344,267	0.00%
2020	\$ -	\$ -	\$ -	\$ 3,503,200	0.00%
2019	\$ -	\$ -	\$ -	\$ 3,603,800	0.00%
2018	\$ -	\$ -	\$ -	\$ 3,650,000	0.00%
2017	\$ -	\$ -	\$ -	\$ 3,650,000	0.00%

SUPPLEMENTARY INFORMATION

Bellevue Independent School District  
 Combining Balance Sheet – Nonmajor Funds  
 June 30, 2025

	District Activity Fund	Student Activity Fund	Capital Outlay Fund	Building Fund	Debt Service Fund	Total Non-Major Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 51,951	\$ 80,903	\$ 281,533	\$ 726,657	\$ -	\$ 1,141,044
<b>Total assets</b>	<b>\$ 51,951</b>	<b>\$ 80,903</b>	<b>\$ 281,533</b>	<b>\$ 726,657</b>	<b>\$ -</b>	<b>\$ 1,141,044</b>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ 1,647	\$ -	\$ -	\$ -	\$ 1,647
<b>Total liabilities</b>	<b>-</b>	<b>1,647</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,647</b>
<b>Fund balances</b>						
Restricted	\$ -	\$ 79,256	\$ 281,533	\$ 726,657	\$ -	\$ 1,087,446
Assigned	51,951	-	-	-	-	51,951
<b>Total fund balances</b>	<b>51,951</b>	<b>79,256</b>	<b>281,533</b>	<b>726,657</b>	<b>-</b>	<b>1,139,397</b>
<b>Total liabilities and fund balances</b>	<b>\$ 51,951</b>	<b>\$ 80,903</b>	<b>\$ 281,533</b>	<b>\$ 726,657</b>	<b>\$ -</b>	<b>\$ 1,141,044</b>

Bellevue Independent School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance – Nonmajor Funds  
Year Ended June 30, 2025

	District Activity Fund	Student Activity Fund	Capital Outlay Fund	Building Fund	Debt Service Fund	Total Non-Major Governmental Funds
<b>Revenues</b>						
From local sources:						
Property taxes	\$ -	\$ -	\$ -	\$ 986,693	\$ -	\$ 986,693
Earnings on investments	-	889	-	-	-	889
Other local revenue	51,951	239,292	-	-	-	291,243
Intergovernmental state:						
SEEK	-	-	50,153	42,592	-	92,745
On-behalf	-	-	-	-	114,179	114,179
<b>Total revenues</b>	<b>51,951</b>	<b>240,181</b>	<b>50,153</b>	<b>1,029,285</b>	<b>114,179</b>	<b>1,485,749</b>
<b>Expenditures</b>						
Instruction	-	364,974	-	-	-	364,974
Support services:						
Principal	-	-	-	-	350,000	350,000
Interest	-	-	-	-	335,845	335,845
<b>Total expenditures</b>	<b>-</b>	<b>364,974</b>	<b>-</b>	<b>-</b>	<b>685,845</b>	<b>1,050,819</b>
Excess of revenues over (under) expenditures	51,951	(124,793)	50,153	1,029,285	(571,666)	434,930
<b>Other financing sources (uses)</b>						
Transfers in	-	-	-	-	571,666	571,666
Transfers out	-	-	(116,758)	(1,066,579)	-	(1,183,337)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(116,758)</b>	<b>(1,066,579)</b>	<b>571,666</b>	<b>(611,671)</b>
Net change in fund balances	51,951	(124,793)	(66,605)	(37,294)	-	(176,741)
Fund balances - beginning, as reported	-	204,049	348,138	763,951	-	1,316,138
<b>Fund balances - end of year</b>	<b>\$ 51,951</b>	<b>\$ 79,256</b>	<b>\$ 281,533</b>	<b>\$ 726,657</b>	<b>\$ -</b>	<b>\$ 1,139,397</b>

Bellevue Independent School District  
 Combining Statement of School Activity Funds  
 Year Ended June 30, 2025

	Cash Balance July 1, 2024	Receipts	Expenditure	Cash Balance June 30, 2025
Bellevue High School	\$ 188,883	\$ 223,989	\$ 349,366	\$ 63,506
Grandview Elementary	15,166	16,192	15,608	15,750
<b>Totals</b>	<b>\$ 204,049</b>	<b>\$ 240,181</b>	<b>\$ 364,974</b>	<b>\$ 79,256</b>

Bellevue Independent School District  
Statement of School Activity Funds  
Bellevue High School  
Year Ended June 30, 2025

Fund Name	Cash Balance			Cash Balance June 30, 2025
	July 1, 2024	Receipts	Expenditure	
Act / Testing Prep	\$ 3,402	\$ 621	\$ 2,008	\$ 2,015
Art	40	99	-	139
Athletic Acct.	10,940	63,926	71,471	3,395
Baseball	1,857	7,038	6,590	2,305
Basketball - Boys	8,118	8,896	14,320	2,694
Basketball - Girls	4,360	20,246	24,432	174
Bellevue Lions Club	1,000	-	1,000	-
Bhs Alumni Memorial Fund	3,085	-	3,085	-
Bhs Band	573	247	-	820
Bluegrass Aerie No. 964	2,000	-	2,000	-
Bumper Mendell Scholarsh	5,790	-	5,790	-
CC Retired Teachers Schol	1,000	-	1,000	-
Charles Grant Scholarship	400	-	400	-
Cheerleading Account	926	3,453	3,783	596
Clara Kerlin Campbell Sch	2,000	-	2,000	-
Class Of 1973 Scholarship	1,000	-	1,000	-
Class Of 2025	250	3,708	3,194	764
Cross Country	1,789	3,373	3,882	1,280
CTE Activity Account		973	973	-
Dick Jones Memorial Sch	280	-	280	-
District Tournament Accou	300	-	300	-
Donations / Charity Acct	507	-	507	-
Drama Club	2,861	1,902	1,310	3,453
FBLS	123	-	-	123
FCA	569	3	-	572
Football	1,192	36,781	27,019	10,954
General Basketball Fund	6,140	12,649	12,154	6,635
General Student & Supplie	28,963	-	27,112	1,851
Golf Team	585	300	210	675
HS Academic Team	224	240	185	279
Investment Cd - Bumper Me	10,018	-	10,018	-
Investment Cd - Swope	7,048	-	7,048	-
Jeffrey James Scholarship	2,498	-	2,498	-
Joe Egan Fund	753	-	96	657
June M Jana Memorial Acct	8,100	-	8,100	-
Lambert Stem Scholarship	2,000	-	2,000	-
Library	168	-	-	168
Lil Hoopsters Scholars	143	3,154	2,290	1,007
Little Hoopsters Program	1,559	-	-	1,559

Bellevue Independent School District  
Statement of School Activity Funds  
Bellevue High School  
Year Ended June 30, 2025

Fund Name	Cash Balance		Expenditure	Cash Balance
	July 1, 2024	Receipts		June 30, 2025
Mary Egan Memorial	516	-	516	-
Middle School Cheer	55	-	-	55
Middle School Dance	593	5	-	598
Middle School Football	1,135	880	1,524	491
Ms Academic Team	63	1	-	64
National Honor Society	142	447	589	-
Office / Staff Account	56	429	-	485
Party Source Scholarship	3,250	-	3,250	-
Pep Stidham Mem Sch	1,095	-	195	900
Prom	316	908	1,224	-
School Fees	2,691	-	2,691	-
Schreiber Memorial Fund	1,570	-	1,570	-
Senior Class Trip	15	37,189	36,874	330
Service Learning	90	-	-	90
Smile Club	-	591	177	414
Soccer Team	2,646	3,044	1,245	4,445
Softball Team	781	3,578	3,549	810
Special Ed	851	-	851	-
Stephanie Wilson Bb Mem	2,238	1,385	604	3,019
Stephanie Wilson Scholars	10,237	-	10,237	-
STLP	50	-	-	50
Student Council	1,011	-	-	1,011
Student Incentives	2,220	310	-	2,530
Swope Family Memorial	2,453	-	2,453	-
Technology	1,792	-	1,792	-
Tennis Team	847	-	801	46
The Godfather Scholarship	4,000	-	4,000	-
Track Team	4,851	6,819	9,409	2,261
Volleyball Team	4,518	355	2,289	2,584
William & Janet Dosch Sch	2,630	-	2,630	-
William Lubbers Estate	12,740	-	12,740	-
Yearbook	870	439	101	1,208
Totals	<u>\$ 188,883</u>	<u>\$ 223,989</u>	<u>\$ 349,366</u>	<u>\$ 63,506</u>

Bellevue Independent School District  
 Schedule of Federal Expenditures  
 Year Ended June 30, 2025

Federal Grantor <i>Pass-Through Grantor</i> Program or Cluster Title	Federal Assistance Listing	Pass Through Grantor's Number	Federal Expenditures
<b><u>U.S. Department of Education</u></b>			
<i>Passed through Kentucky Department of Education</i>			
Special Education Cluster (IDEA)			
Special Education_Grants to States (IDEA, Part B)	84.027	3810002 23	13,457
	84.027	3810002 24	<u>177,634</u>
			<u>191,091</u>
Title I Grants to Local Educational Agencies	84.010	3100002 22	25,432
	84.010	3100002 23	15,124
	84.010	3100002 24	58,196
	84.010	3100202 22	44,430
	84.010	3100202 23	<u>12,095</u>
			<u>155,277</u>
Title II Supporting Effective Instruction State Grants	84.367	3230002 22	6,722
	84.367	3230002 23	24,530
	84.367	3230002 24	<u>24,527</u>
			<u>55,779</u>
Comprehensive Literacy Development	84.371	3220002 21	22,300
	84.371	3220002 22	166,517
	84.371	3220002 23	39,448
	84.371	3220002 24	<u>755</u>
			<u>229,020</u>
Student Support and Academic Enrichment	84.424	3420002 22	14,527
	84.424	3420002 23	14,906
	84.424	3420002 24	<u>13,046</u>
			<u>42,479</u>
Education Stabilization Fund Under the Coronavirus	84.425U	4300002 21	<u>892,589</u>
			<u>892,589</u>
<i>Passed through NKCES</i>			
School Safety National Activities	84.184		1,522
	84.184		<u>71,535</u>
			<u>73,057</u>
Arts in Education	84.351		<u>25,942</u>
			<u>25,942</u>
<b>Total U.S Department of Education</b>			<u>1,665,234</u>

Bellevue Independent School District  
 Schedule of Federal Expenditures  
 Year Ended June 30, 2025

<i>Pass-Through Grantor</i> Program or Cluster Title	Assistance Listing	Grantor's Number	Federal Expenditures
<b><u>U.S Department of Agriculture</u></b>			
<i>Passed through Kentucky Department of Education</i>			
Child Nutrition Cluster			
School Breakfast Program	10.553	7760005 24	27,999
	10.553	7760005 25	110,630
National School Lunch Program	10.555	7750002 24	68,150
	10.555	7750002 25	298,744
	10.555	7990000 25	4,135
Summer Food Service Program for Children	10.559	7690024 24	126
	10.559	7740023 24	1,217
Fresh Fruit and Vegetable Program	10.582	7720012 24	1,849
	10.582	7720012 25	16,389
Commodities	10.555	4800014	31,814
			<u>561,053</u>
State Administrative Expenses	10.560	7700001 24	633
			<u>633</u>
<b>Total U.S Department of Agriculture</b>			<b>561,686</b>
<b><u>U.S Department of Health and Human Services</u></b>			
<i>Passed through NKCES</i>			
Substance Abuse and Mental Health Services Project	93.243		153,996
			<u>153,996</u>
Every Student Succeeds	93.434		5,783
			<u>5,783</u>
<b>Total U.S Department of Health and Human Services</b>			<b>159,779</b>
<b>Total Federal Expenditures</b>			<b>\$ 2,386,699</b>

**NOTE 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of Bellevue Independent School District (District) under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) 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 District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

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

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

**NOTE 3: INDIRECT COST RATE**

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

**NOTE 4: SUBRECIPIENTS**

The District did not provide federal funds to subrecipients for the year ended June 30, 2025.

**NOTE 5: COMMODITIES**

No nonmonetary assistance for USDA commodities was received.

**NOTE 6: FEDERAL AWARDS RECONCILIATION**

Federal revenues reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	\$ 1,825,035
Federal grants reported on the Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund	529,850
Donated commodities reported on the Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund	31,814
Schedule of expenditures of federal awards	<u>\$ 2,386,699</u>



Kentucky State Committee for School District Audits  
Members of the Board of Education  
Bellevue Independent School District  
Bellevue, Kentucky

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, the financial statements of the governmental activities and each major fund of the Bellevue Independent School District (District) as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the District basic financial statements and have issued our report thereon dated January 11, 2026.

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

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

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

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

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

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 determination of financial statement amounts. 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.

We noted certain matters that we reported to management of the District in a separate letter dated January 11, 2026.

### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Maddox & Associates CPAs Inc.**

Bellevue, Kentucky

January 11, 2026

Kentucky State Committee for School District Audits  
Members of the Board of Education  
Bellevue Independent School District  
Bellevue, Kentucky

## **Report on Compliance for Each Major Federal Program**

### ***Opinion on Each Major Program***

We have audited Bellevue Independent School District's (District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2025.

### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities of 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 District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities***

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 District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will not 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 District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and the audit requirements prescribed by the Kentucky State Committee for School District Audits, in the *Auditor Responsibilities and State Compliance Requirements* sections contained in the Kentucky Public School Districts' Audit Contract and Requirements, 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 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 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 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Maddox & Associates CPAs Inc.**

Bellevue, Kentucky

January 11, 2026

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>	
Type of Financial Statement Opinion	Unmodified
Were there any material weaknesses in internal control reported at the financial statement level?	No
Were there any significant deficiencies in internal control reported at the financial statement level?	No
Was there any reported material noncompliance at the financial statement level?	No
Were there any material weaknesses in internal control reported for major federal programs?	No
Were there any significant deficiencies in internal control reported for major federal programs?	No
Type of Major Programs' Compliance Opinion	Unmodified
Are there any reportable findings under 2 CFR 200.516(a)?	No
<u>Major Programs</u> Child Nutrition Cluster	<u>AL#</u> 84.184, 84.425U
Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: all others
Low risk auditee under 2 CFR 200.520	No

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED</b>
None

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
None

FINANCIAL STATEMENT FINDINGS

2024-001 Competitive Bidding

Finding was not repeated in the current year.

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2024-002 Wage Rate Requirements

COMPETITIVE BIDDING

2024-003 Competitive Bidding

Finding was not repeated in the current year.

NO PRIOR FINDINGS

Bellevue Independent School District  
Management Letter  
Year Ended June 30, 2025

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Kentucky State Committee for School District Audits  
Members of the Board of Education  
Bellevue Independent School District  
Bellevue, Kentucky

In planning and performing our audit of the financial statements of Bellevue Independent School District (District) for the year ended June 30, 2025, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of matters that our opportunities for strengthening internal controls and operating efficiencies. The memorandum that accompanies this letter summarizes our comments and recommendations regarding these matters. Any uncorrected comments from the prior year have been listed in this letter. A separate report dated January 11, 2026 contains our report on the District's internal control. This letter does not affect our report dated January 11, 2026 on the financial statements of the District.

We will review the status of these comments during our next audit engagement. We have already discussed the comments and recommendations with various District personnel, and we will be pleased to discuss them in further detail at our convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

**Maddox & Associates CPAs Inc.**

January 11, 2026

**Central Office**

No matters are reportable

**Bellevue High School**

No matters are reportable

**Grandview Elementary School**

No matters are reportable