

BERGENFIELD BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Bergenfield, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Bergenfield Board of Education

Bergenfield, New Jersey

For The Fiscal Year Ended June 30, 2023

Prepared by

Business Office

**BERGENFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

INTRODUCTORY SECTION

Letter of Transmittal	i-iii
Organizational Chart	iv
Roster of Officials	v
Consultants and Advisors	vi

FINANCIAL SECTION

Independent Auditor's Report	1-3
------------------------------	-----

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis	4-13
--------------------------------------	------

Basic Financial Statements

A. District-wide Financial Statements

A-1 Statement of Net Position	14
A-2 Statement of Activities	15-16

B. Fund Financial Statements

Governmental Funds

B-1 Balance Sheet	17-18
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	19
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20

Proprietary Funds

B-4 Statement of Net Position	21
B-5 Combining Statement of Revenues, Expenses, and Changes in Net Position	22
B-6 Statement of Cash Flows	23

Fiduciary Funds – Not Applicable

Notes to the Financial Statements	24-63
--	-------

**BERGENFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

C-1	Budgetary Comparison Schedule – General Fund	64-72
C-2	Budgetary Comparison Schedule – Special Revenue Fund	73

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II

C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information	74
-----	--	----

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

L-1	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	75
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	76
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	77
L-4	Notes to Required Supplementary Information – Net Pension Liability	78

M. Schedules Related to Accounting and Reporting for Postemployment Retirement Benefits Other Than Pensions (OPEB) (GASB 75)

M-1	Required Supplementary Information – Schedule of District’s Proportionate Share Of Total OPEB Liability	79
M-2	Notes to Required Supplementary Information – OPEB Liability	80

OTHER SUPPLEMENTARY INFORMATION

D. School Level Schedules - Not Applicable

E. Special Revenue Fund

E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund – Budgetary Basis	81-82
E-2	Schedule of Preschool Aid Expenditures – Budgetary Basis	83

F. Capital Projects Fund – Not Applicable

**BERGENFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

		<u>Page</u>
G.	Proprietary Funds	
	<i>Enterprise Fund</i>	
G-1	Statement of Net Position – Not Applicable	84
G-2	Combining Statement of Revenues, Expenses and Changes in Net Position – Not Applicable	84
G-3	Statement of Cash Flows – Not Applicable	84
H.	Fiduciary Funds – Not Applicable	
I.	Long-Term Debt	
I-1	Schedule of Obligations Under Leases Payable	85
J.	STATISTICAL SECTION (Unaudited)	
J-1	Net Position by Component	86
J-2	Changes in Net Position	87-88
J-3	Fund Balances – Governmental Funds	89
J-4	Changes in Fund Balances, Governmental Funds	90
J-5	General Fund Other Local Revenue by Source	91
J-6	Assessed Value and Actual Value of Taxable Property	92
J-7	Direct and Overlapping Property Tax Rates	93
J-8	Principal Property Taxpayers	94
J-9	Property Tax Levies and Collections	95
J-10	Ratios of Outstanding Debt by Type	96
J-11	Ratios of Net General Bonded Debt Outstanding	97
J-12	Direct and Overlapping Governmental Activities Debt	98
J-13	Legal Debt Margin Information	99
J-14	Demographic and Economic Statistics	100
J-15	Principal Employers	101
J-16	Full-Time Equivalent District Employees by Function/Program	102
J-17	Operating Statistics	103
J-18	School Building Information	104
J-19	Schedule of Required Maintenance for School Facilities	105
J-20	Schedule of Insurance	106

**BERGENFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

K. SINGLE AUDIT SECTION

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	107-108
K-2	Report on Compliance for each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08 – Independent Auditor’s Report	109-111
K-3	Schedule of Expenditures of Federal Awards	112-113
K-4	Schedule of Expenditures of State Financial Assistance	114-115
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	116-117
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	118-119
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	120
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	121-122
K-7	Summary Schedule of Prior Year Findings	123

INTRODUCTORY SECTION

Board of Education

BERGENFIELD, NEW JERSEY

JoAnn Khoury-Frias
School Business Administrator/
Board Secretary

225 W. Clinton Avenue
Bergenfield, New Jersey 07621
201-385-8801

January 18, 2024

Honorable President and
Members of the Board of Education
Bergenfield Public Schools
Bergenfield, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Bergenfield Public Schools (District) for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Bergenfield Public School's MD&A can be found immediately following the "Independent Auditors' Report".

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditors' report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the provisions of Title II U.S. Code of Federal Regulation (LFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance)", and the State Treasury Circular 15-08. Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

Board of Education

BERGENFIELD, NEW JERSEY

JoAnn Khoury-Frias
School Business Administrator/
Board Secretary

225 W. Clinton Avenue
Bergenfield, New Jersey 07621
201-385-8801

1. REPORTING ENTITY AND ITS SERVICES: Bergenfield Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds of the District are included in this report. The Bergenfield Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular and vocational as well as special education for handicapped youngsters. The District completed the 2022-2023 fiscal year with an enrollment of 3,689 students, which is 141 students more than the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Bergenfield has continued to experience a period of economic difficulty which reflects the national trend of recent years. The availability of "affordable" housing is the major cause of an upturn in real estate sales. This trend is expected to continue. This suggests that school enrollments will increase and that the Bergenfield area will experience an economic recovery. The September 2023 opening day K-12 enrollment was 3,553. This represents the same number as compared to the opening enrollment in September of 2022. By adopting programs and services to meet the needs of its newest residents and working those changes into the fabric of currently existing programs, all residents can be served in a manner which is fair, equitable and affordable.

3. MAJOR INITIATIVES: The Bergenfield School District continued to make noteworthy advances in the delivery of educational programs, facility upgrades, and academic achievement through sound fiscal management and innovative financial planning. Significant accomplishments for 2022-2023 School Year include the districtwide electrical and mechanical upgrade projects; Tri Valley Academy for Autism continues to grow, thus reducing out of district tuition cost and increasing revenue.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District's management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General and Special Revenue Funds. Project length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

Board of Education
BERGENFIELD, NEW JERSEY

JoAnn Khoury-Frias
School Business Administrator/
Board Secretary

225 W. Clinton Avenue
Bergenfield, New Jersey 07621
201-385-8801

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

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements".

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.


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

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


10. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related Uniform Guidance and State Treasury Circular OMB 15-08. The auditors' report on the basic financial statements are included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Bergenfield School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



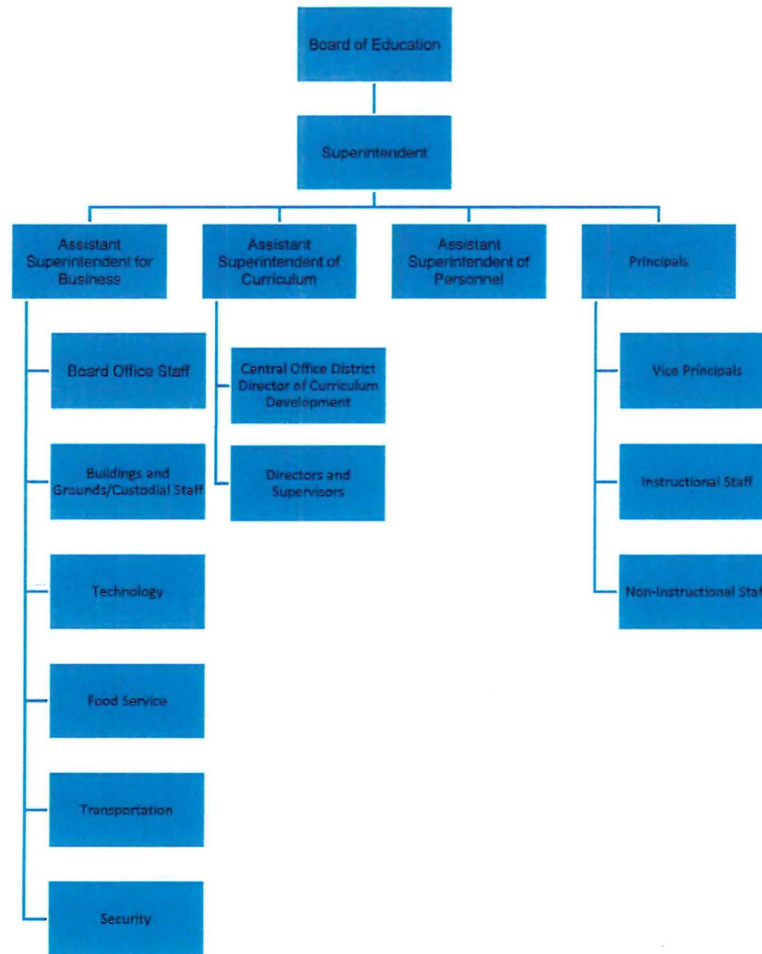
Christopher M. Tully, Ed.D.
Superintendent



JoAnn Khoury-Frias, Ed.M.
Business Administrator/Board Secretary

BERGENFIELD BOARD OF EDUCATION

Organization Chart



Board of Education
BERGENFIELD, NEW JERSEY

JoAnn Khoury-Frias
School Business Administrator/
Board Secretary

225 W. Clinton Avenue
Bergenfield, New Jersey 07621
201-385-8801

ROSTER OF OFFICIALS
June 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Joseph Amara, President	2025
Guadalupe Ruiz-Catala, Vice President	2024
Nelson Reynoso, Trustee	2024
Deborah Podwin, Trustee	2025
Ovelis Munoz, Trustee	2023

Other Officials

Christopher M. Tully, Ed.D., Superintendent

JoAnn Khoury-Frias, School Business Administrator/Board Secretary

Sean Gately, Treasurer of School Monies

Board of Education
BERGENFIELD, NEW JERSEY

JoAnn Khoury-Frias
School Business Administrator/
Board Secretary

225 W. Clinton Avenue
Bergenfield, New Jersey 07621
201-385-8801

CONSULTANTS AND ADVISORS
June 30, 2023

Architect of Record

Solutions Architecture
96 Pompton Avenue
2nd Floor, Suite 200
Verona, NJ 07044

Audit Firm

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

Board Attorney

Fogarty & Hara
16-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

TD Bank
126 North Washington Avenue
Bergenfield, NJ 07621

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Bergenfield Board of Education
Bergenfield, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Bergenfield Board of Education, as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Board of Education'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 and each major fund of the Bergenfield Board of Education as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 18, 2024 on our consideration of the Bergenfield Board of Education'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 Bergenfield Board of Education'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 Bergenfield Board of Education's internal control over financial reporting and compliance.

LERCH, VINCI & BLISS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
January 18, 2024

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

As management of the Bergenfield Board of Education (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Bergenfield Board of Education for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, as well as, the District's financial statements and notes to the financial statements which immediately follows this discussion and analysis.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year include the following:

- The assets and deferred outflow of resources of the Bergenfield Board of Education exceeded its liabilities and deferred inflow of resources at the close of the fiscal year by \$29,681,876 (net position).
- The District's overall net position increased \$4,635,697, or 19%.
- Overall district revenues were \$92,060,083. General revenues accounted for \$67,931,997, or 74%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$24,128,086, or 26%, of total revenues.
- The school district had \$85,556,592 in expenses for governmental activities; only \$22,314,926 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$67,919,866 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$14,228,165, an increase of \$1,515,305 from the previous year. Of this amount, \$5,116,959 is restricted for capital projects, \$1,071,000 is restricted for required maintenance of District facilities, \$790,000 is restricted for tuition adjustments, \$1,921,666 is restricted for excess surplus, \$892,164 is restricted for other purposes, \$4,742,821 is assigned or committed for year-end encumbrances and subsequent year budget expenditures and the remaining amount is the unassigned fund deficit of \$(306,445).
- The General Fund fund balance (GAAP Basis) at June 30, 2023 was \$14,062,016 an increase of \$1,476,590 compared to the ending fund balance at June 30, 2022 of \$12,585,426.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$3,996,041 which represents a decrease of \$923,048 when compared to the ending unassigned budgetary fund balance at June 30, 2022 of \$4,919,089.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

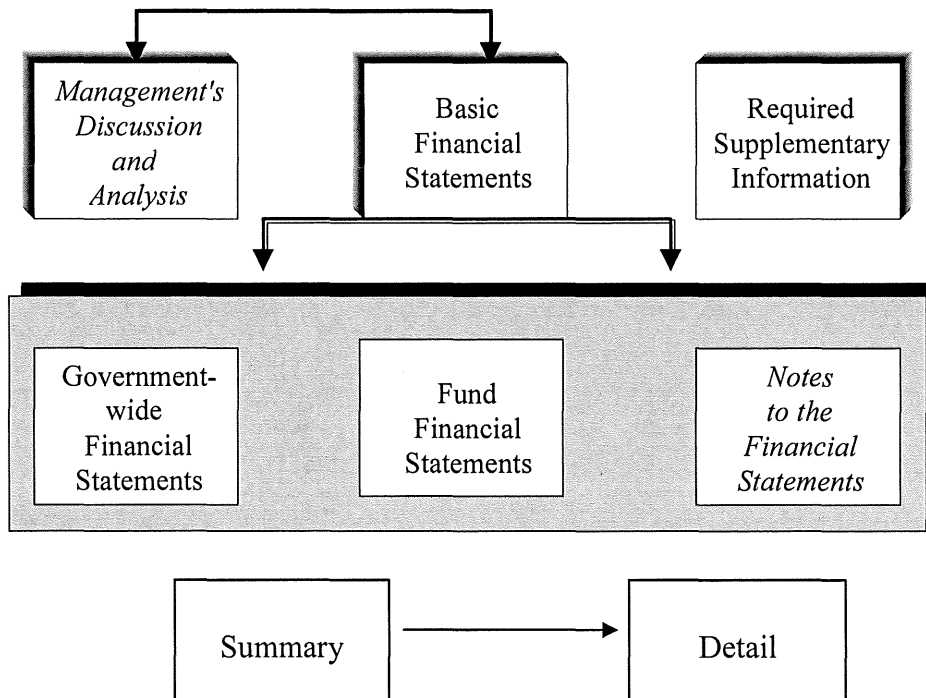
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The basic financial statements also include *notes* that explain the information in the statements and provide more detailed data. The following illustrates how the various parts of this annual report are arranged and related to one another.



**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as Regular and Special Education Instruction and Building maintenance	Activities the district operates similar to private businesses: Enterprise Fund
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and changes in fund balances	Statement of Net Position Statement of revenue, expenses, and changes in fund net position Statement of cash flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset, liability, and deferred resources information	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-Wide Financial Statements

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

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

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

District-Wide Financial Statements (continued)

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

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes, state and federal aid finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's food service and summer enrichment programs are included under this category.

Fund Financial Statements

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

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

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds.

- Food Service (Cafeteria)
- Summer Enrichment Program

Notes to the Financial Statements

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Other Information

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

Other financial schedules are presented immediately following the major budgetary comparisons, pension, and other postemployment benefits information.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$29,681,876 and \$25,046,179, as of June 30, 2023 and 2022, respectively.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Position
As of June 30, 2023 and 2022**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current Assets	\$ 18,114,812	\$ 14,720,325	\$ 940,119	\$ 1,057,926	\$ 19,054,931	\$ 15,778,251
Capital Assets	29,228,391	27,899,563	177,922	159,456	29,406,313	28,059,019
Total Assets	<u>47,343,203</u>	<u>42,619,888</u>	<u>1,118,041</u>	<u>1,217,382</u>	<u>48,461,244</u>	<u>43,837,270</u>
Deferred Outflows of Resources	<u>1,485,027</u>	<u>955,631</u>	-	-	<u>1,485,027</u>	<u>955,631</u>
Total Assets and Deferred Outflow of Resources	<u>48,828,230</u>	<u>43,575,519</u>	<u>1,118,041</u>	<u>1,217,382</u>	<u>49,946,271</u>	<u>44,792,901</u>
Liabilities						
Long-Term Liabilities	13,797,840	11,011,099			13,797,840	11,011,099
Other Liabilities	3,886,647	2,007,465	204,511	261,349	4,091,158	2,268,814
Total Liabilities	<u>17,684,487</u>	<u>13,018,564</u>	<u>204,511</u>	<u>261,349</u>	<u>17,888,998</u>	<u>13,279,913</u>
Deferred Inflow of Resources	<u>2,375,397</u>	<u>6,466,809</u>	-	-	<u>2,375,397</u>	<u>6,466,809</u>
Total Liabilities and Deferred Inflow of Resources	<u>20,059,884</u>	<u>19,485,373</u>	<u>204,511</u>	<u>261,349</u>	<u>20,264,395</u>	<u>19,746,722</u>
Net Position						
Investment in Capital Assets	28,979,285	27,445,983	177,922	159,456	29,157,207	27,605,439
Restricted	7,417,123	6,025,353			7,417,123	6,025,353
Unrestricted	(7,628,062)	(9,381,190)	735,608	796,577	(6,892,454)	(8,584,613)
Total Net Position	<u>\$ 28,768,346</u>	<u>\$ 24,090,146</u>	<u>\$ 913,530</u>	<u>\$ 956,033</u>	<u>\$ 29,681,876</u>	<u>\$ 25,046,179</u>

The District's total net position of \$29,681,876 at June 30, 2023 represents an increase of \$4,635,697, or 19%, from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2023 and 2022.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

**Changes in Net Position
For the Fiscal Years Ended June 30, 2023 and 2022**

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program Revenues						
Charges for Services	\$ 3,133,518	\$ 2,799,307	\$ 726,097	\$ 95,368	\$ 3,859,615	\$ 2,894,675
Operating Grants and Contributions	17,805,497	19,541,248	1,087,063	2,349,032	18,892,560	21,890,280
Capital Grants and Contributions	1,375,911	382,196			1,375,911	382,196
General Revenues						
Property Taxes	51,457,799	51,059,211			51,457,799	51,059,211
Unrestricted State Aid	15,849,352	13,013,430			15,849,352	13,013,430
Other	612,715	209,209	12,131	-	624,846	209,209
Total Revenues	<u>90,234,792</u>	<u>87,004,601</u>	<u>1,825,291</u>	<u>2,444,400</u>	<u>92,060,083</u>	<u>89,449,001</u>
Expenses						
Instruction						
Regular	35,216,224	35,413,979			35,216,224	35,413,979
Special Education	15,820,686	14,561,178			15,820,686	14,561,178
Other Instruction	2,157,033	1,761,844			2,157,033	1,761,844
School Sponsored Activities and Athletics	1,367,199	1,261,162			1,367,199	1,261,162
Support Services						
Student and Instruction Related Services	10,597,543	9,909,253			10,597,543	9,909,253
General Administrative Services	1,757,555	1,606,817			1,757,555	1,606,817
School Administrative Services	4,449,431	4,378,661			4,449,431	4,378,661
Central Administrative Services	1,264,730	1,305,742			1,264,730	1,305,742
Plant Operations and Maintenance	9,193,795	9,717,551			9,193,795	9,717,551
Student Transportation	3,717,974	3,256,322			3,717,974	3,256,322
Interest on Long Term Debt	14,422	22,426			14,422	22,426
Food Services			1,759,350	2,391,983	1,759,350	2,391,983
Summer Enrichment Program	-	-	108,444	73,467	108,444	73,467
Total Expenses	<u>85,556,592</u>	<u>83,194,935</u>	<u>1,867,794</u>	<u>2,465,450</u>	<u>87,424,386</u>	<u>85,660,385</u>
Increase (Decrease) in Net Position	4,678,200	3,809,666	(42,503)	(21,050)	4,635,697	3,788,616
Net Position, Beginning of Year	<u>24,090,146</u>	<u>20,280,480</u>	<u>956,033</u>	<u>977,083</u>	<u>25,046,179</u>	<u>21,257,563</u>
Net Position, End of Year	<u>\$ 28,768,346</u>	<u>\$ 24,090,146</u>	<u>\$ 913,530</u>	<u>\$ 956,033</u>	<u>\$ 29,681,876</u>	<u>\$ 25,046,179</u>

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$90,234,792 for the fiscal year ended June 30, 2023. Property taxes of \$51,457,799 represented 57% of revenues for the fiscal year ended June 30, 2023. Another significant portion of revenues came from State and Federal aid; total State, Federal and Local aid and grants of \$35,030,760 represented 39% of revenues for the fiscal year ended June 30, 2023.

The total cost of all governmental activities programs and services were \$85,556,592 for the fiscal year ended June 30, 2023. The District's expenses are predominately related to educating and caring for students. Instruction costs were \$54,561,142 (64%) of total expense and support services costs were \$30,981,028 (36%) of total expenses for the fiscal year ended June 30, 2023.

Total governmental activities revenues exceeded expenses increasing net position by \$4,678,200 from the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services were \$85,556,592 for fiscal year 2023. After applying program revenues, derived from charges for services of \$3,133,518, operating grants and contributions of \$17,805,497 and capital grants and contributions of \$1,375,911, the net cost of services of the District is \$63,241,666 for fiscal year 2023.

Total and Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 35,216,224	\$ 35,413,979	\$ 28,031,744	\$ 27,208,707
Special Education	15,820,686	14,561,178	6,853,108	5,906,144
Other Instruction	2,157,033	1,761,844	1,751,934	1,326,721
School Sponsored Activities and Athletics	1,367,199	1,261,162	1,198,582	1,056,361
Support Services				
Student and Instruction Related Services	10,597,543	9,909,253	8,086,428	7,483,204
General Administrative Services	1,757,555	1,606,817	1,649,414	1,444,957
School Administrative Services	4,449,431	4,378,661	4,081,507	3,738,298
Central Administrative Services	1,264,730	1,305,742	1,217,901	1,195,333
Plant Operations and Maintenance	9,193,795	9,717,551	7,227,786	8,603,489
Pupil Transportation	3,717,974	3,256,322	3,128,840	2,486,544
Interest on Long Term Debt	<u>14,422</u>	<u>22,426</u>	<u>14,422</u>	<u>22,426</u>
Total	<u>\$ 85,556,592</u>	<u>\$ 83,194,935</u>	<u>\$ 63,241,666</u>	<u>\$ 60,472,184</u>

Business-Type Activities – The District's total business-type activities revenues were \$1,825,591 for the year ended June 30, 2023. Charges for services accounted for 40% of total revenues and operating grants and contributions accounted for 60% of total revenue for fiscal year 2023.

The total cost of all business-type activities programs and services were \$1,867,794 for the fiscal year ended June 30, 2023. Food Service expenses represented 94% of the total expenses and the Summer Enrichment Program expenses represented 6% of the total expenses.

For business-type activities expenses exceeded revenues, decreasing net position by \$42,503 at June 30, 2023 from the previous year.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$14,228,165, an increase of \$1,515,305 compared to the previous years combined fund balance of \$12,712,860.

Revenues for the District's governmental funds for fiscal years 2023 were \$96,726,269, while total expenditures were \$96,235,562. Other financing sources were received for fiscal year 2023 from an insurance recovery for storm damage in the amount of \$1,024,598.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from pre-kindergarten through grade 12 including pupil transportation, co-curricular and athletic activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues for the fiscal years ended June 30, 2023 and 2022.

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Amount of Increase (Decrease)	Percent Change
Local Sources:				
Property Tax Levy	\$ 51,457,799	\$ 51,059,211	\$ 398,588	1%
Tuition and Fees	3,005,658	2,701,085	304,573	11%
Miscellaneous	612,715	209,209	403,506	193%
State Sources	35,878,506	32,651,300	3,227,206	10%
Federal Sources	190,152	119,376	70,776	59%
Total General Fund Revenues	<u>\$ 91,144,830</u>	<u>\$ 86,740,181</u>	<u>\$ 4,404,649</u>	5%

Total General Fund Revenues increased by \$4,404,649, or 5%, from the previous year.

The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2023 and 2022.

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 56,925,919	\$ 53,974,612	\$ 2,951,307	5%
Support Services	30,682,191	28,149,030	2,533,161	9%
Debt Service	218,896	218,896	-	0%
Capital Outlay	<u>2,691,142</u>	<u>2,968,020</u>	<u>(276,878)</u>	-9%
Total Expenditures	<u>\$ 90,518,148</u>	<u>\$ 85,310,558</u>	<u>\$ 5,207,590</u>	6%

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

General Fund (Continued)

Total General Fund expenditures increased \$5,207,590, or 6%, from the previous year.

In addition, during the current fiscal year the General Fund transferred \$174,690 to the Special Revenue Fund to provide funding towards the Preschool Education Aid program.

For fiscal year 2023 General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$1,476,590. As a result, total fund balance increased to \$14,062,016 at June 30, 2023 compared to \$12,585,426 at June 30, 2022. Unassigned fund balance decreased \$1,566,055 to a fund deficit of (\$306,445) at June 30, 2023.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budgetary fund is the General Fund.

For the fiscal year ended June 30, 2023 General Fund budgetary basis revenues and other financing sources exceeded expenditures and other financing uses by \$2,119,597. Therefore, total fund balance increased to \$18,364,502 at June 30, 2023 from \$16,244,905 at June 30, 2022. After deducting restricted, committed and assigned fund balances, the unassigned budgetary fund balance decreased from \$4,919,089 at June 30, 2022 to \$3,996,041 at June 30, 2023. In addition, at June 30, 2023, the district had restricted fund balances for capital reserves of \$5,116,959, maintenance reserve of \$1,071,000, emergency reserve of \$453,000, tuition adjustment reserves of \$790,000, unemployment compensation reserve of \$273,015 and reserve excess surplus of \$1,921,666.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2023 amounts to \$29,406,313 (net of accumulated depreciation). The capital assets consist of land, land improvements, buildings, building improvements, right-to-use leased buildings, construction in progress, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2023 amounted to \$2,736,527 for governmental activities and \$27,308 for business-type activities. The following is a comparison of the June 30, 2023 and 2022 balances:

**Capital Assets at June 30, 2023 and 2022
(Net of Accumulated Depreciation)**

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 1,780,323	\$ 1,780,323			\$ 1,780,323	\$ 1,780,323
Construction in Progress	1,431,543	668,823			1,431,543	668,823
Buildings and Improvements	21,411,847	20,986,997	\$ 26,636	\$ 28,411	21,438,483	21,015,408
Right-to-Use Leased Building	231,114	429,211			231,114	429,211
Land Improvements	1,473,698	1,498,787			1,473,698	1,498,787
Machinery and Equipment	<u>2,899,866</u>	<u>2,535,422</u>	<u>151,286</u>	<u>131,045</u>	<u>3,051,152</u>	<u>2,666,467</u>
Total Capital Assets, Net	<u>\$ 29,228,391</u>	<u>\$ 27,899,563</u>	<u>\$ 177,922</u>	<u>\$ 159,456</u>	<u>\$ 29,406,313</u>	<u>\$ 28,059,019</u>

Additional information on the District's capital assets are presented in the Notes to the Financial Statements.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

LONG TERM LIABILITIES

At year end, the District's long-term liabilities amounted to \$13,797,840, which consisted of \$249,106 of leases payable compared to \$453,580 at the end of the previous year, \$1,687,304 of compensated absences payable compared to \$1,502,381 at the end of the previous year as well as net pension liability of \$11,861,430 compared to \$9,055,138 at the end of the previous year. Total long-term liabilities increased \$2,786,741 from the previous year.

Additional information of the District's long-term liabilities is presented in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2023-2024 budget. The primary factors were the District's projected student population, anticipated state and federal aid, special education costs, facility improvements, as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2024. Total budgeted expenditures increased five (5) percent to \$82,256,424 in fiscal year 2023-2024. Budgeted increases in special education instruction and tuition costs, as well as, employee benefit costs were the main factors for the fiscal year 2024 budget increase. A portion of the increase was funded by additional State aid allotted to the District for fiscal year 2024.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator, Bergenfield Board of Education, 225 West Clinton Avenue, Bergenfield, NJ 07621.

FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 13,376,554	\$ 879,689	\$ 14,256,243
Receivables, Net			
Receivables From Other Governments	4,728,710	40,979	4,769,689
Accounts Receivable	9,548	10,508	20,056
Inventory		8,943	8,943
Capital Assets, Not Being Depreciated	3,211,866		3,211,866
Capital Assets, Being Depreciated, Net	<u>26,016,525</u>	<u>177,922</u>	<u>26,194,447</u>
Total Assets	<u>47,343,203</u>	<u>1,118,041</u>	<u>48,461,244</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>1,485,027</u>	<u>-</u>	<u>1,485,027</u>
Total Assets and Deferred Outflow of Resources	<u>48,828,230</u>	<u>1,118,041</u>	<u>49,946,271</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,027,770	83,339	1,111,109
Unearned Revenue	2,858,877	121,172	2,980,049
Noncurrent Liabilities			
Due within one year	312,805		312,805
Due beyond one year	<u>13,485,035</u>	<u>-</u>	<u>13,485,035</u>
Total Liabilities	<u>17,684,487</u>	<u>204,511</u>	<u>17,888,998</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>2,375,397</u>	<u>-</u>	<u>2,375,397</u>
Total Liabilities and Deferred Inflows of Resources	<u>20,059,884</u>	<u>204,511</u>	<u>20,264,395</u>
NET POSITION			
Investment in Capital Assets	28,979,285	177,922	29,157,207
Restricted for:			
Capital Projects	5,116,959		5,116,959
Plant Maintenance	1,071,000		1,071,000
Tuition Adjustments	790,000		790,000
Unemployment Compensation	273,015		273,015
Other Purposes	166,149		166,149
Unrestricted	<u>(7,628,062)</u>	<u>735,608</u>	<u>(6,892,454)</u>
Total Net Position	<u>\$ 28,768,346</u>	<u>\$ 913,530</u>	<u>\$ 29,681,876</u>

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

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 35,216,224	\$ 12,500	\$ 7,166,237	\$ 5,743	\$ (28,031,744)		\$ (28,031,744)
Special Education	15,820,686	2,896,684	6,070,894		(6,853,108)		(6,853,108)
Other Instruction	2,157,033		405,099		(1,751,934)		(1,751,934)
School Sponsored Activities and Athletics	1,367,199	127,860	40,757		(1,198,582)		(1,198,582)
Support Services							
Student & Instruction Related Services	10,597,543		2,511,115		(8,086,428)		(8,086,428)
General Administrative Services	1,757,555		108,141		(1,649,414)		(1,649,414)
School Administrative Services	4,449,431		367,924		(4,081,507)		(4,081,507)
Central Administrative Services	1,264,730		46,829		(1,217,901)		(1,217,901)
Plant Operations and Maintenance	9,193,795	96,474	499,367	1,370,168	(7,227,786)		(7,227,786)
Student Transportation	3,717,974		589,134		(3,128,840)		(3,128,840)
Interest on Long Term Debt	14,422	-	-	-	(14,422)	-	(14,422)
Total Governmental Activities	<u>85,556,592</u>	<u>3,133,518</u>	<u>17,805,497</u>	<u>1,375,911</u>	<u>(63,241,666)</u>	<u>-</u>	<u>(63,241,666)</u>
Business-Type Activities							
Food Services	1,759,350	635,565	1,087,063			\$ (36,722)	(36,722)
Summer Enrichment Program	108,444	90,532	-	-	-	(17,912)	(17,912)
Total Business-Type Activities	<u>1,867,794</u>	<u>726,097</u>	<u>1,087,063</u>	<u>-</u>	<u>-</u>	<u>(54,634)</u>	<u>(54,634)</u>
Total Primary Government	<u>\$ 87,424,386</u>	<u>\$ 3,859,615</u>	<u>\$ 18,892,560</u>	<u>\$ 1,375,911</u>	<u>(63,241,666)</u>	<u>(54,634)</u>	<u>(63,296,300)</u>

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

(Continued)

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues			
Taxes			
Property Taxes, Levied for General Purposes	\$ 51,457,799		\$ 51,457,799
State Aid - Unrestricted	15,849,352		15,849,352
Miscellaneous Income	612,715	\$ 12,131	624,846
Total General Revenues	67,919,866	12,131	67,931,997
Change in Net Position	4,678,200	(42,503)	4,635,697
Net Position, Beginning of Year	24,090,146	956,033	25,046,179
Net Position, End of Year	\$ 28,768,346	\$ 913,530	\$ 29,681,876

FUND FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 13,210,405	\$ 166,149	\$ 13,376,554
Intergovernmental Receivables	788,443	3,940,267	4,728,710
Accounts Receivable	1,748	7,800	9,548
Due from Other Funds	<u>923,026</u>	<u>-</u>	<u>923,026</u>
Total Assets	<u>\$ 14,923,622</u>	<u>\$ 4,114,216</u>	<u>\$ 19,037,838</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 636,414	\$ 182,264	\$ 818,678
Accrued Salaries and Wages	78,397		78,397
Compensated Absences Payable	23,301		23,301
Payroll Deductions and Withholdings Payable	5,000		5,000
Other Liabilities	102,394		102,394
Due to Other Funds		923,026	923,026
Unearned Revenue	<u>16,100</u>	<u>2,842,777</u>	<u>2,858,877</u>
Total Liabilities	<u>861,606</u>	<u>3,948,067</u>	<u>4,809,673</u>
Fund Balances:			
Restricted			
Capital Reserve	2,149,899		2,149,899
Capital Reserve - Designated for Subsequent Year's Expenditures	2,967,060		2,967,060
Maintenance Reserve	776,907		776,907
Maintenance Reserve - Designated for Subsequent Year's Expenditures	294,093		294,093
Emergency Reserve	190,819		190,819
Emergency Reserve - Designated for Subsequent Year's Expenditures	262,181		262,181
Tuition Adjustments	395,000		395,000
Tuition Adjustments - Designated for Subsequent Year's Expenditures	395,000		395,000
Unemployment Compensation Reserve	273,015		273,015
Excess Surplus	1,010,833		1,010,833
Excess Surplus - Designated for Subsequent Year's Expenditures	910,833		910,833
Student Activities		101,795	101,795
Scholarships		64,354	64,354
Committed			
Year-End Encumbrances	2,140,087		2,140,087
Assigned			
Year-End Encumbrances	1,660,813		1,660,813
Designated for Subsequent Year's Expenditures	941,921		941,921
Unassigned	<u>(306,445)</u>	<u>-</u>	<u>(306,445)</u>
Total Fund Balances	<u>14,062,016</u>	<u>166,149</u>	<u>14,228,165</u>
Total Liabilities and Fund Balances	<u>\$ 14,923,622</u>	<u>\$ 4,114,216</u>	<u>\$ 19,037,838</u>

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

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2023**

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

Total Fund Balances - Governmental Funds (B-1)		\$ 14,228,165
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$61,391,465 and the accumulated depreciation is \$32,163,074.		29,228,391
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and amortized over future years.		
Deferred Outflows of Resources	\$ 1,485,027	
Deferred Inflows of Resources	<u>(2,375,397)</u>	(890,370)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
Net Pension Liability	(11,861,430)	
Compensated Absences	(1,687,304)	
Leases Payable	<u>(249,106)</u>	<u>(13,797,840)</u>
Net Position of Governmental Activities (Exhibit A-1)		<u>\$ 28,768,346</u>

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

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local Sources:			
Property Tax Levy	\$ 51,457,799		\$ 51,457,799
Tuition	2,909,184		2,909,184
Transportation Fees	96,474		96,474
Miscellaneous	<u>612,715</u>	<u>\$ 267,994</u>	<u>880,709</u>
Total - Local Sources	55,076,172	267,994	55,344,166
State Sources	35,878,506	1,185,074	37,063,580
Federal Sources	<u>190,152</u>	<u>4,128,371</u>	<u>4,318,523</u>
Total Revenues	<u>91,144,830</u>	<u>5,581,439</u>	<u>96,726,269</u>
EXPENDITURES			
Current			
Instruction			
Regular	37,752,887	1,692,158	39,445,045
Special Education	15,483,407	1,073,807	16,557,214
Other Instruction	2,294,224	111,938	2,406,162
School Sponsored Activities and Athletics	1,395,401	105,047	1,500,448
Support Services			
Student and Instruction Related Services	10,126,903	1,358,553	11,485,456
General Administrative Services	1,879,276		1,879,276
School Administrative Services	4,852,412		4,852,412
Central Administrative Services	1,372,799		1,372,799
Plant Operations and Maintenance	8,639,586		8,639,586
Student Transportation	3,811,215		3,811,215
Debt Service			
Principal	204,474		204,474
Interest	14,422		14,422
Capital Outlay	<u>2,691,142</u>	<u>1,375,911</u>	<u>4,067,053</u>
Total Expenditures	<u>90,518,148</u>	<u>5,717,414</u>	<u>96,235,562</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>626,682</u>	<u>(135,975)</u>	<u>490,707</u>
OTHER FINANCING SOURCES (USES)			
Transfers In		174,690	174,690
Transfers Out	(174,690)		(174,690)
Insurance Recoveries	<u>1,024,598</u>	<u>-</u>	<u>1,024,598</u>
Total Other Financing Sources (Uses)	<u>849,908</u>	<u>174,690</u>	<u>1,024,598</u>
Net Change in Fund Balance	1,476,590	38,715	1,515,305
Fund Balance, Beginning of Year	<u>12,585,426</u>	<u>127,434</u>	<u>12,712,860</u>
Fund Balance, End of Year	<u>\$ 14,062,016</u>	<u>\$ 166,149</u>	<u>\$ 14,228,165</u>

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

**BERGENFIELD BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)		\$ 1,515,305
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Capital outlays	\$ 4,067,053	
Depreciation expense	<u>(2,736,527)</u>	
		1,330,526
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, donations, disposals) is to decrease net position. These transactions are not reported in the governmental fund financial statements.</p>		
Loss on Disposal of Capital Assets		(1,698)
<p>In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned or incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):</p>		
Decrease in Pension Expense	1,814,516	
Increase in Compensated Absences	<u>(184,923)</u>	
		1,629,593
<p>Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not effect the statement of activities.</p>		
Repayment of Lease Principal		<u>204,474</u>
Change in Net Position of Governmental Activities (Exhibit A-2)		<u>\$ 4,678,200</u>

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2023**

	Business-Type Activities Enterprise Funds		
	<u>Food Service</u>	<u>Summer Enrichment Program</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 684,616	\$ 195,073	\$ 879,689
Intergovernmental Receivable	40,979		40,979
Other Accounts Receivable	10,508		10,508
Inventories	8,943	-	8,943
Total Current Assets	<u>745,046</u>	<u>195,073</u>	<u>940,119</u>
Capital Assets			
Building Improvements	35,511		35,511
Equipment	336,138		336,138
Less: Accumulated Depreciation	<u>(193,727)</u>	<u>-</u>	<u>(193,727)</u>
Total Capital Assets, Net	<u>177,922</u>	<u>-</u>	<u>177,922</u>
Total Assets	<u>922,968</u>	<u>195,073</u>	<u>1,118,041</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	81,961	1,378	83,339
Unearned Revenue	20,532	100,640	121,172
Total Current Liabilities	<u>102,493</u>	<u>102,018</u>	<u>204,511</u>
NET POSITION			
Investment in Capital Assets	177,922		177,922
Unrestricted	<u>642,553</u>	<u>93,055</u>	<u>735,608</u>
Total Net Position	<u>\$ 820,475</u>	<u>\$ 93,055</u>	<u>\$ 913,530</u>

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities		
	Enterprise Funds		
	<u>Food Service</u>	<u>Summer Enrichment Program</u>	<u>Total</u>
OPERATING REVENUES			
Local Sources			
Daily Sales - Reimbursable Programs	\$ 331,423		\$ 331,423
Daily Sales - Non-Reimbursable Programs	304,142		304,142
Program Fees	-	\$ 90,532	90,532
Total Operating Revenues	<u>635,565</u>	<u>90,532</u>	<u>726,097</u>
OPERATING EXPENSES			
Salaries and Benefits	888,122	99,429	987,551
Cost of Sales - Reimbursable Programs	471,357		471,357
Cost of Sales - Non-Reimbursable Programs	78,844		78,844
Other Purchased Services	80,648	5,189	85,837
Purchased Management Services	95,776		95,776
Supplies and Materials	88,526	3,826	92,352
Repairs	27,731		27,731
Miscellaneous Expense	1,038		1,038
Depreciation	27,308	-	27,308
Total Operating Expenses	<u>1,759,350</u>	<u>108,444</u>	<u>1,867,794</u>
Operating (Loss)	<u>(1,123,785)</u>	<u>(17,912)</u>	<u>(1,141,697)</u>
NON-OPERATING REVENUES			
State Sources			
School Lunch Program	29,389		29,389
School Breakfast Program	6,200		6,200
Federal Sources			
National School Breakfast Program	117,192		117,192
National School Lunch Program	641,374		641,374
Supply Chain Assistance	176,195		176,195
Food Distribution Program	116,713		116,713
Local Sources			
Interest Earned	6,155	5,976	12,131
Total Nonoperating Revenues	<u>1,093,218</u>	<u>5,976</u>	<u>1,099,194</u>
Changes in Net Position	(30,567)	(11,936)	(42,503)
Total Net Position, Beginning of Year	<u>851,042</u>	<u>104,991</u>	<u>956,033</u>
Total Net Position, End of Year	<u>\$ 820,475</u>	<u>\$ 93,055</u>	<u>\$ 913,530</u>

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

**BERGENFIELD BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Summer Enrichment Program	Total
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 629,067	\$ 101,022	\$ 730,089
Cash Payments for Employees			
Salaries & Benefits	(888,122)	(99,429)	(987,551)
Cash Payments to Suppliers for Goods and Services	(774,094)	(8,416)	(782,510)
Net Cash Provided by (Used for) Operating Activities	(1,033,149)	(6,823)	(1,039,972)
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Subsidy Reimbursements	1,050,597	-	1,050,597
Net Cash Provided by (Used for) Noncapital Financing Activities	1,050,597	-	1,050,597
Cash Flows from Capital Financing Activities			
Acquisition of Capital Assets	(45,774)	-	(45,774)
Net Cash Provided by (Used for) Capital Financing Activities	(45,774)	-	(45,774)
Cash Flows from Investing Activities			
Interest Received	6,155	5,976	12,131
Net Cash Provided by (Used for) Investing Activities	6,155	5,976	12,131
Net Increase (Decrease) in Cash and Cash Equivalents	(22,171)	(847)	(23,018)
Cash and Cash Equivalents, Beginning of Year	706,787	195,920	902,707
Cash and Cash Equivalents, End of Year	\$ 684,616	\$ 195,073	\$ 879,689
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities			
Operating (Loss)	\$ (1,123,785)	\$ (17,912)	\$ (1,141,697)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	27,308		27,308
Non-Cash Federal Assistance-Food Distribution Program	116,713		116,713
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Accounts Receivable	(10,495)		(10,495)
(Increase)/Decrease in Inventory	25,037		25,037
Increase/(Decrease) in Accounts Payable	(71,924)	599	(71,325)
Increase/(Decrease) in Unearned Revenue	3,997	10,490	14,487
Total Adjustments	90,636	11,089	101,725
Net Cash Provided by (Used for) Operating Activities	\$ (1,033,149)	\$ (6,823)	\$ (1,039,972)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 116,713		\$ 116,713

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

NOTES TO THE FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2023, the District adopted the following GASB statements:

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

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

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

The *summer enrichment program fund* accounts for the activities of the District's summer enrichment program which provides additional courses and activities for students during the summer recess.

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. *Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost except for intangible right-to-use leased assets the measurement which is discussed in Note 1.E.8. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	15-30
Buildings	40
Building Improvements	5-40
Right-to-use Leased Buildings	5
Machinery and Equipment	5-10
Computer Equipment	5

5. *Deferred Outflows/Inflows of Resources*

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. *Deferred Outflows/Inflows of Resources (Continued)*

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

6. *Compensated Absences*

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

7. *Pensions*

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

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

8. *Leases*

Leases Payable

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financings sources.

10. *Net Position/Fund Balance*

District-Wide Statements

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

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

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

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

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

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

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

Maintenance Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2E).

Emergency Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of emergency reserve fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Tuition Adjustments – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2022/2023 contract year and is required to be liquidated in the second year following the contract year with any remaining balance related to that contract year to be reserved and budgeted for property tax relief in the 2024/2025 original budget certified for taxes.

Tuition Adjustments – Designated for Subsequent Year’s Expenditures – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2021/2022 contract year that is appropriated in the 2023/2024 original budget certified for taxes.

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

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that is required to be appropriated in the 2024/2025 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year’s Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2022 audited excess surplus that was appropriated in the 2023/2024 original budget certified for taxes.

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

Scholarships – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

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

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

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

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

Designated for Subsequent Year’s Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

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

11. Fund Balance Policies

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

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

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 2021-2022 and 2022-2023 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$4,214,401 and the special revenue fund by \$6,120,324. The increases were funded by the additional appropriation of unassigned and assigned fund balance, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations of unassigned fund balance of \$2,070,608.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

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

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$(306,445) in the General Fund as of June 30, 2023 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2022/2023 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit(s) in the GAAP (fund) financial statements of \$(306,445) in the General Fund is less than the delayed state aid payments at June 30, 2023.

C. Capital Reserve

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

The activity of the capital reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022		\$ 4,401,904
Increased by:		
Return of Unencumbered Budget Appropriations		
Funded from Reserve	\$ 1,898,897	
Interest Earned in Capital Reserve	3,973	
Deposit per Board Resolution	<u>1,427,859</u>	
		<u>3,330,729</u>
		7,732,633
Decreased by:		
Withdrawals Approved in District Budget		<u>2,615,674</u>
Balance, June 30, 2023		<u>\$ 5,116,959</u>

The June 30, 2023 LRF costs of uncompleted capital projects is \$72,245,358. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$2,967,060 of the capital reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

D. Maintenance Reserve

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022	\$ 471,000
Increased by:	
Deposit per Board Resolution	<u>600,000</u>
Balance, June 30, 2023	<u>\$ 1,071,000</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,893,079. \$294,093 of the maintenance reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022	\$ 488,000
Decreased by:	
Withdrawals Approved in District Budget	<u>35,000</u>
Balance, June 30, 2023	<u>\$ 453,000</u>

\$262,181 of the emergency reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2023 is \$1,921,666. Of this amount, \$910,833 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$1,010,833 will be appropriated in the 2024/2025 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$14,256,243 and bank and brokerage firm balances of the Board's deposits amounted to \$18,221,142. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 17,782,439
Uninsured and Collateralized	<u>438,703</u>
	<u>\$ 18,221,142</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2023 the Board's bank balance of \$438,703 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 438,703</u>
	<u>\$ 438,703</u>

Investments

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

As of June 30, 2023, the Board had no outstanding investments.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial credit risk.

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

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

B. Receivables

Receivables as of June 30, 2023 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental				
Federal		\$ 3,940,267	\$ 39,192	\$ 3,979,459
State	\$ 105,391		1,787	107,178
Local	683,052			683,052
Accounts Receivable	<u>1,748</u>	<u>7,800</u>	<u>10,508</u>	<u>20,056</u>
Gross Receivables	790,191	3,948,067	51,487	4,789,745
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 790,191</u>	<u>\$ 3,948,067</u>	<u>\$ 51,487</u>	<u>\$ 4,789,745</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

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

	<u>Total</u>
General Fund	
Prepaid Tuition Charges	\$ 16,100
Special Revenue Fund	
Unencumbered Grant Draw Downs	191,078
Grant Draw Downs Reserved for Encumbrances	<u>2,651,699</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 2,858,877</u>

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	<u>Balance, July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2023</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,780,323			\$ 1,780,323
Construction in Progress	<u>668,823</u>	<u>\$ 1,431,543</u>	<u>\$ (668,823)</u>	<u>1,431,543</u>
Total Capital Assets, Not Being Depreciated	<u>2,449,146</u>	<u>1,431,543</u>	<u>(668,823)</u>	<u>3,211,866</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	40,441,261	2,077,991		42,519,252
Right-to-Use Leased Building	990,486			990,486
Land Improvements	4,311,255	136,554	\$ (20,928)	4,426,881
Machinery and Equipment	<u>9,363,973</u>	<u>1,089,788</u>	<u>(210,781)</u>	<u>10,242,980</u>
Total Capital Assets Being Depreciated	<u>55,106,975</u>	<u>3,304,333</u>	<u>(231,709)</u>	<u>58,179,599</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(19,454,264)	(1,653,141)		(21,107,405)
Right-to-Use Leased Building	(561,275)	(198,097)		(759,372)
Land Improvements	(2,812,468)	(161,544)	20,829	(2,953,183)
Machinery and Equipment	<u>(6,828,551)</u>	<u>(723,745)</u>	<u>209,182</u>	<u>(7,343,114)</u>
Total Accumulated Depreciation	<u>(29,656,558)</u>	<u>(2,736,527)</u>	<u>230,011</u>	<u>(32,163,074)</u>
Total Capital Assets, Being Depreciated, Net	<u>25,450,417</u>	<u>567,806</u>	<u>(1,698)</u>	<u>26,016,525</u>
Governmental Activities Capital Assets, Net	<u>\$ 27,899,563</u>	<u>\$ 1,999,349</u>	<u>\$ (670,521)</u>	<u>\$ 29,228,391</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2023</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Building Improvements	\$ 35,511			\$ 35,511
Equipment	297,124	\$ 45,774	\$ (6,760)	336,138
Total Capital Assets Being Depreciated	<u>332,635</u>	<u>45,774</u>	<u>(6,760)</u>	<u>371,649</u>
Less Accumulated Depreciation for:				
Building Improvements	(7,100)	(1,775)		(8,875)
Equipment	(166,079)	(25,533)	6,760	(184,852)
Total Accumulated Depreciation	<u>(173,179)</u>	<u>(27,308)</u>	<u>6,760</u>	<u>(193,727)</u>
Total Capital Assets, Being Depreciated, Net	<u>159,456</u>	<u>18,466</u>	<u>-</u>	<u>177,922</u>
Business-Type Activities Capital Assets, Net	<u>\$ 159,456</u>	<u>\$ 18,466</u>	<u>\$ -</u>	<u>\$ 177,922</u>

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

Governmental Activities:	
Instruction	
Regular	\$ 221,583
Special Education	1,265
Total Instruction	<u>222,848</u>
Support Services	
Student and Instruction Related Services	107,315
School Administrative Services	115,524
Central Administrative Services	1,145
Plant Operations and Maintenance	2,089,109
Student Transportation	200,586
Total Support Services	<u>2,513,679</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,736,527</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 27,308</u>
Total Depreciation Expense-Business Type Activities	<u>\$ 27,308</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects and other significant commitments as of June 30, 2023:

<u>Project</u>	<u>Remaining Commitment</u>
District-wide Mechanical Upgrades	\$ 1,763,230
District-wide Electrical Service Upgrades	1,011,900
Tennis Court Replacement	172,800
District Network Firewall Switches	595,367
Acquisition of School Buses	<u>731,537</u>
	<u>\$ 4,274,834</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2023, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	<u>\$ 923,026</u>

The above balances are to cover cash balances which were in an overdraft position.

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

Interfund Transfers

Transfer Out: General Fund	<u>Transfer In:</u> Special <u>Revenue Fund</u> \$ <u>174,690</u>
-------------------------------	--

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases Payable

On September 1, 2019, the District entered into a five year lease agreement as lessee for the use of a school building. The initial lease liability was recorded in the amount of \$990,486. The lease has an interest rate of 4.00%. The District is required to make monthly payments of \$18,241. While there is no renewal option granted under the agreement, the District must notify the lessor on or before August 31, 2023 as to whether or not it wished to negotiate for an extension of the lease beyond the expiration date of August 31, 2024. Upon expiration of the lease agreement if the District remains in the building such occupancy shall be deemed to be a month-to-month tenancy and holdover period at a rental rate of one and half times the rental payment during the last year of the lease term. As of June 30, 2023 the value of the lease liability was \$249,106. The building has a 5 year estimated useful life. The value of the right-to-use asset as of June 30, 2023 is \$990,486 and had accumulated depreciation of \$759,372.

The future principal and interest lease payments as of June 30, 2023 were as follows:

Governmental Activities:

<u>Ending June 30,</u>	<u>Leases Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 212,805	\$ 6,091	\$ 218,896
2025	<u>36,301</u>	<u>182</u>	<u>36,483</u>
Total	<u>\$ 249,106</u>	<u>\$ 6,273</u>	<u>\$ 255,379</u>

G. Long-Term Debt

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2023 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 140,500,753
Less: Net Debt Issued and Authorized But Not Issued	<u>-</u>
Remaining Borrowing Power	<u>\$ 140,500,753</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2023, was as follows:

	Balance, July 1, 2022	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2023	Due Within One Year
Governmental activities:					
Leases Payable	\$ 453,580		\$ 204,474	\$ 249,106	\$ 212,805
Compensated Absences	1,502,381	\$ 259,407	74,484	1,687,304	100,000
Net Pension Liability	<u>9,055,138</u>	<u>2,806,292</u>	<u>-</u>	<u>11,861,430</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 11,011,099</u>	<u>\$ 3,065,699</u>	<u>\$ 278,958</u>	<u>\$ 13,797,840</u>	<u>\$ 312,805</u>

For the governmental activities, the liabilities for leases payable, compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

Fiscal Year Ended <u>June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	None	\$ 73,917	\$ 108,582	\$ 273,015
2022	None	68,658	1,152	273,015
2021	None	78,505	8,952	273,015

B. Contingent Liabilities

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

Pending Litigation – A complaint was filed against the District and the estate of a former employee on or about November 16, 2021 alleging sexual abuse by a former District teacher against the Plaintiff, a former student. The allegations date back to 1966 through 1970. Plaintiff has demanded a total of \$400 million. The matter is currently in the discovery period. In the opinion of the District's special counsel to this matter, the odds of success will be determined by the evidence or lack thereof, and therefore cannot be evaluated at this time. The District is currently researching the insurance coverages in effect at the time the alleged abuse took place. However, liability coverage has not been confirmed as of the date of audit.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2023, the District has not estimated its arbitrage earnings due to the IRS, if any.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2022 is \$15.2 billion and the plan fiduciary net position as a percentage of the total pension liability is 62.91% . The collective net pension liability of the State funded TPAF at June 30, 2022 is \$51.7 billion and the plan fiduciary net position as a percentage of total pension liability is 32.29%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

Actuarial Methods and Assumptions

In the July 1, 2021 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2023.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2023 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2023, 2022 and 2021 were equal to the required contributions.

During the fiscal years ended June 30, 2023, 2022 and 2021 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2023	\$ 991,151	\$ 10,076,955	\$ 111,440
2022	895,169	10,137,019	93,759
2021	794,839	6,918,350	96,931

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2023, 2022 and 2021 the State contributed \$2,798, \$2,808 and \$2,981 respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,151,317 during the fiscal year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2021 through June 30, 2022. Employer allocation percentages have been rounded for presentation purposes.

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2022 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2022.

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$11,861,430 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2022. At June 30, 2022, the District's proportionate share was .07860 percent, which was an increase of .00216 percent from its proportionate share measured as of June 30, 2021 of .07644 percent.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$823,365 for PERS. The pension contribution made by the District during the current 2022/2023 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 85,610	\$ 75,496
Changes of Assumptions	36,750	1,776,126
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	490,934	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>871,733</u>	<u>523,775</u>
Total	<u>\$ 1,485,027</u>	<u>\$ 2,375,397</u>

At June 30, 2023, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension benefit as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2023	\$ (999,358)
2024	(461,222)
2025	(53,140)
2026	621,993
2027	1,357
Thereafter	<u>-</u>
	<u>\$ (890,370)</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 15,238,463</u>	<u>\$ 11,861,430</u>	<u>\$ 8,987,439</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2022. A sensitivity analysis specific to the District’s net pension liability at June 30, 2022 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2021 through June 30, 2022. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2022, the State's pension contribution was more than the actuarial determined amount.

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$3,371,652 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the net pension liability attributable to the District is \$125,280,628. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was .24282 percent, which was an increase of .00926 percent from its proportionate share measured as of June 30, 2021 of .23356 percent.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 146,894,199</u>	<u>\$ 125,280,628</u>	<u>\$ 107,073,911</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2022. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2022 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2021:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>151,669</u>
Total	<u>364,817</u>

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2022 is \$50.6 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2022 were determined based on actuarial valuations as of June 30, 2021 which were rolled forward to June 30, 2022.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2021 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.33 billion to the OPEB plan in fiscal year 2022.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$2,647,192, \$2,368,418 and \$2,168,102, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2021 through June 30, 2022. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,861,018. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the OPEB liability attributable to the District is \$110,351,312. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state's share of the OPEB liability attributable to the District was .21789 percent, which was a decrease of .00110 percent from its proportionate share measured as of June 30, 2021 of .21899 percent.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

The OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 4.25% Based on Years of Service

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

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2021 Measurement Date	<u>\$ 131,409,486</u>
Changes Recognized for the Fiscal Year:	
Service Cost	5,862,191
Interest on the Total OPEB Liability	2,924,431
Differences Between Expected and Actual Experience	2,561,741
Changes of Assumptions	(29,602,729)
Gross Benefit Payments	(2,896,736)
Member Contributions	92,928
Net Changes	<u>\$ (21,058,174)</u>
Balance, June 30, 2022 Measurement Date	<u>\$ 110,351,312</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022.

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.54%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54% percent) or 1-percentage-point higher (4.54% percent) than the current rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 129,706,359</u>	<u>\$ 110,351,312</u>	<u>\$ 94,839,209</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability (Continued)

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

	<u>1%</u> <u>Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1%</u> <u>Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 91,212,104</u>	<u>\$ 110,351,312</u>	<u>\$ 135,491,823</u>

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022 were not provided by the pension system.

F. Tax Abatements

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

For the year ended December 31, 2022, the Borough provided property tax abatements through certain programs authorized under State statutes. These programs include the Long Term Tax Exemption Law (the “LTTE Law”), and Senior Citizens Nonprofit Rental Housing Tax Law.

Prior to the enactment of the Long Term Tax Exempt Law (NJSA 40A:20 et. seq.) and under the provisions of the Senior Citizens Nonprofit Rental Housing Tax Law (NJSA 55:141-1), which has since been repealed, allows for the clearance, re-planning, development or redevelopment of blighted areas by means of a non-profit rental housing project for the elderly, developed, erected and owed by a non-profit corporations under the Federal Senior Citizens Housing Loan Program, and pursuant to section 202 of the Federal Housing Act of 1959, as amended; authorizing and providing for the exemption in part of such non-profit rental housing projects from taxation under the law. A qualified municipality could abate for up to 50 years the property taxes on newly construction senior housing. The process beings when the municipality passes by ordinance or resolution, as appropriate, that such residential rental senior housing project shall be exempt from property tax provided that an agreement is entered into with the housing sponsor to make a PILOT payment to the municipality in an amount equal to a percentage of the annual gross revenue from each senior housing project. For the year ended December 31, 2022 the Borough abated property taxes totaling \$453,195 under this law of which \$252,380 represents the District’s share. The Borough received \$97,581 in PILOT payments under this program for the year ended December 31, 2022.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

G. Subsequent Events

Appropriation of Fund Balance

On November 20, 2023 the Board approved the appropriation of an additional \$1,550,000 of General Fund unassigned fund balance to the 2023/2024 budget.

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$6,462,308 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 51,457,799		\$ 51,457,799	\$ 51,457,799	
Tuition	2,395,518		2,395,518	2,909,184	\$ 513,666
Transportation Fees	106,618		106,618	96,474	(10,144)
Miscellaneous	290,527	-	290,527	612,715	322,188
Total Local Revenues	54,250,462	-	54,250,462	55,076,172	825,710
State Sources					
Equalization Aid	15,870,414		15,870,414	15,870,414	
School Choice Aid	231,363		231,363	231,363	
Special Education Aid	2,104,440		2,104,440	2,104,440	
Security Aid	374,729		374,729	374,729	
Transportation Aid	578,477		578,477	578,477	
Extraordinary Aid				2,479,749	2,479,749
Lead Testing for Schools Aid				4,079	4,079
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				9,939,062	9,939,062
Pension - NCGI Premium				137,893	137,893
LTDI - Premium				2,798	2,798
Post-Retirement Medical Benefit Contribution				2,647,192	2,647,192
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	-	-	-	2,151,317	2,151,317
Total State Revenues	19,159,423	-	19,159,423	36,521,513	17,362,090
Federal Sources					
Medicaid Reimbursement	26,463		26,463	82,979	56,516
FFCRA/SEMI				4,531	4,531
FEMA Reimbursement	-	-	-	102,642	102,642
Total Federal Sources	26,463	-	26,463	190,152	163,689
Total Revenues	73,436,348	-	73,436,348	91,787,837	18,351,489
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Preschool		\$ 28,579	28,579	28,579	-
Kindergarten	1,062,670	75,756	1,138,426	1,138,426	-
Grades 1-5	7,306,776	(391,946)	6,914,830	6,914,830	-
Grades 6-8	4,644,434	9,734	4,654,168	4,654,168	-
Grades 9-12	7,741,692	(319,975)	7,421,717	7,421,717	-
Regular Programs - Home Instruction					
Salaries of Teachers	8,775	11,385	20,160	20,160	-
Purchased Professional/Educational Services		31,341	31,341	31,341	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	1,024,423	(485,823)	538,600	538,600	-
Purchased Professional/Educational Services	197,282	42,000	239,282	239,282	-
Purchased Technical Services	37,725	21,981	59,706	59,706	-
Other Purchased Services	50,367	3,264	53,631	53,631	-
General Supplies	1,171,109	145,264	1,316,373	891,184	425,189
Textbooks	341,880	(63,817)	278,063	278,063	-
Other Objects	43,838	(35,859)	7,979	7,979	-
Total Regular Programs	23,630,971	(928,116)	22,702,855	22,277,666	425,189

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	\$ 617,033	\$ 56	\$ 617,089	\$ 617,089	-
Other Salaries for Instruction	189,399	30,057	219,456	219,456	-
Purchased Professional/Educational Services	10,250	(10,038)	212	212	-
Purchased Technical Services		125	125	125	-
General Supplies	3,700	(2,268)	1,432	1,432	-
Textbooks	3,000	(3,000)			-
Other Objects	10,000	2,256	12,256	12,256	-
	<u>833,382</u>	<u>17,188</u>	<u>850,570</u>	<u>850,570</u>	<u>-</u>
Total Learning / Language Disabilities					
Multiple Disabilities					
Salaries of Teachers	221,604	64,728	286,332	286,332	-
Other Salaries for Instruction	73,870	18,211	92,081	92,081	-
Purchased Professional/Educational Services	9,073	(7,873)	1,200	1,200	-
General Supplies	17,928	(10,747)	7,181	7,181	-
Textbooks	1,750	(1,750)			-
Other Objects	36,500	3,888	40,388	40,388	-
	<u>360,725</u>	<u>66,457</u>	<u>427,182</u>	<u>427,182</u>	<u>-</u>
Total Multiple Disabilities					
Resource Room / Resource Center					
Salaries of Teachers	1,858,003	10,769	1,868,772	1,868,772	-
Other Salaries for Instruction	69,353	220,144	289,497	289,497	-
Purchased Professional/Educational Services	12,000	(7,252)	4,748	4,748	-
General Supplies	18,133	(11,734)	6,399	6,399	-
Textbooks	7,116	(6,445)	671	671	-
Other Objects	553	(553)	-	-	-
	<u>1,965,158</u>	<u>204,929</u>	<u>2,170,087</u>	<u>2,170,087</u>	<u>-</u>
Total Resource Room / Resource Center					
Autism					
Other Salaries for Instruction	22,185	46,457	68,642	68,642	-
Purchased Professional-Educational Services	5,540,585	352	5,540,937	5,540,937	-
Other Purchased Services	6,696	(6,495)	201	201	-
General Supplies	23,121	(14,628)	8,493	8,493	-
Other Objects	144	311	455	455	-
	<u>5,592,731</u>	<u>25,997</u>	<u>5,618,728</u>	<u>5,618,728</u>	<u>-</u>
Total Autism					
Preschool Disabilities - Full-Time					
Salaries of Teachers	383,412	(156,864)	226,548	226,548	-
Other Salaries for Instruction	162,900	(10,827)	152,073	152,073	-
General Supplies	1,000	(788)	212	212	-
Other Objects	300	(300)	-	-	-
	<u>547,612</u>	<u>(168,779)</u>	<u>378,833</u>	<u>378,833</u>	<u>-</u>
Total Preschool Disabilities - Full - Time					
Total Special Education					
	<u>9,299,608</u>	<u>145,792</u>	<u>9,445,400</u>	<u>9,445,400</u>	<u>-</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Home Instruction					
Purchased Professional-Educational Services	-	\$ 9,395	\$ 9,395	\$ 9,395	-
Total Home Instruction	-	9,395	9,395	9,395	-
Basic Skills/Remedial					
Salaries of Teachers	\$ 322,078	6,529	328,607	328,607	-
General Supplies	3,381	(804)	2,577	2,577	-
Textbooks	6,440	(5,239)	1,201	1,201	-
Total Basic Skills/Remedial	331,899	486	332,385	332,385	-
Bilingual Education					
Salaries of Teachers	709,787	57,002	766,789	766,789	-
Other Salaries for Instruction	48,970	78,249	127,219	127,219	-
Purchased Professional-Educational Services	4,000	(2,500)	1,500	1,500	-
Purchased Technical Services		599	599	599	-
General Supplies	51,342	(47,484)	3,858	3,858	-
Textbooks	13,555	46,458	60,013	60,013	-
Total Bilingual Education	827,654	132,324	959,978	959,978	-
School Sponsored Co-Curricular Activities					
Salaries of Teachers	312,000	(86,489)	225,511	225,511	-
Purchased Professional-Educational Services	9,000	(9,000)			-
Purchased Services	14,903	(4,013)	10,890	10,890	-
Supplies and Materials	75,650	(36,986)	38,664	38,664	-
Other Objects	4,263	10,180	14,443	14,443	-
Total School Sponsored Co-Curricular Activities	415,816	(126,308)	289,508	289,508	-
School Sponsored Athletics - Instruction					
Salaries	475,000	11,451	486,451	486,451	-
Purchased Professional and Technical Services	72,000	14,414	86,414	86,414	-
Other Purchased Services	200	4,051	4,251	4,251	-
Supplies and Materials	139,698	(7,350)	132,348	131,700	\$ 648
Other Objects	25,000	1,844	26,844	26,844	-
Total School Sponsored Athletics - Instruction	711,898	24,410	736,308	735,660	648
Summer School - Instruction					
Salaries of Teachers	127,000	12,291	139,291	139,291	-
Other Objects	-	120	120	120	-
Total Summer School - Instruction	127,000	12,411	139,411	139,411	-
Community Services Program					
Supplies and Materials	6,155	(615)	5,540	-	5,540
Total Community Services Program	6,155	(615)	5,540	-	5,540
Total - Instruction	35,351,001	(730,221)	34,620,780	34,189,403	431,377
Undistributed Expenditures					
Instruction (Tuition)					
Tuition to Other LEA's Within State - Special	155,839	(150,367)	5,472	5,472	-
Tuition to County Vocational School District - Reg.	625,000	16,491	641,491	641,491	-
Tuition to County Vocational School/Dist. - Spec.	70,000	51,697	121,697	121,697	-
Tuition to County Special Services - School Districts & Regional Day Schools	1,168,355	(290,818)	877,537	877,537	-
Tuition to APSSD Within the State	2,428,703	11,112	2,439,815	2,396,047	43,768
Tuition to APSSD and Other LEAs - Special - Out of State	155,000	103,138	258,138	258,138	-
Tuition - Other	-	3,010	3,010	3,010	-
Total Undistributed Expenditures - Instruction (Tuition)	4,602,897	(255,737)	4,347,160	4,303,392	43,768

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Attendance and Social Work					
Salaries		\$ 6,460	\$ 6,460	\$ 6,460	-
Supplies and Materials	-	738	738	738	-
Total Attendance and Social Work	-	7,198	7,198	7,198	-
Health Services					
Salaries	\$ 674,214	87,413	761,627	761,627	-
Purchased Professional and Technical Services	227,876	(74,938)	152,938	151,309	\$ 1,629
Other Purchased Services	12,370	(7,407)	4,963	4,963	-
Supplies and Materials	47,038	(28,440)	18,598	18,598	-
Total Health Services	961,498	(23,372)	938,126	936,497	1,629
Speech, OT, PT and Related Services					
Salaries	350,214	179	350,393	350,393	-
Purchased Professional-Educational Services	157,692	17,914	175,606	175,606	-
Supplies and Materials	4,666	(4,442)	224	224	-
Total Speech, OT, PT and Related Services	512,572	13,651	526,223	526,223	-
Other Support Services-Students-Extra Services					
Salaries	434,178	22,524	456,702	456,702	-
Purchased Professional-Educational Services	828,511	299,007	1,127,518	1,127,518	-
Supplies and Materials	-	625	625	625	-
Total Other Support Services-Extra	1,262,689	322,156	1,584,845	1,584,845	-
Guidance					
Salaries of Other Professional Staff	1,189,479	(35,663)	1,153,816	1,153,815	1
Salaries of Secretarial and Clerical Assistants	105,795	616	106,411	106,411	-
Purchased Professional-Educational Services	5,000	(5,000)	-	-	-
Other Purchased Professional and Technical Services	-	6,395	6,395	6,395	-
Other Purchased Services	128	(95)	33	33	-
Supplies and Materials	33,765	(19,883)	13,882	13,882	-
Other Objects	5,194	(2,837)	2,357	2,357	-
Total Guidance	1,339,361	(56,467)	1,282,894	1,282,893	1
Child Study Team					
Salaries of Other Professional Staff	1,356,493	61,649	1,418,142	1,418,142	-
Salaries of Secretarial and Clerical Assistants	165,877	5,856	171,733	171,733	-
Purchased Professional-Educational Services	-	30,886	30,886	30,886	-
Other Purchased Professional/Technical Services	7,846	1,968	9,814	9,814	-
Other Purchased Services	-	647	647	647	-
Supplies and Materials	25,146	(6,491)	18,655	18,655	-
Total Child Study Team	1,555,362	94,515	1,649,877	1,649,877	-
Improvement of Instruction Services					
Other Salaries	-	200	200	200	-
Purchased Professional-Educational Services	12,714	-	12,714	-	12,714
Other Purchased Services	4,054	(2,854)	1,200	1,200	-
Supplies and Materials	-	607	607	607	-
Total Improvement of Instruction Services	16,768	(2,047)	14,721	2,007	12,714
Educational Media Services/School Library					
Salaries	152,949	63,106	216,055	216,055	-
Salaries of Technology Coordinators	629,091	(13,824)	615,267	615,267	-
Purchased Professional and Technical Services	89,804	2,904	92,708	92,708	-
Supplies and Materials	34,070	(9,691)	24,379	24,379	-
Other Objects	500	(315)	185	185	-
Total Educational Media Services/School Library	906,414	42,180	948,594	948,594	-

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Other Purchased Professional/Technical Services	\$ 9,345	-	\$ 9,345		\$ 9,345
Other Purchased Services	439	\$ (189)	250	-	250
Total Instructional Staff Training Services	9,784	(189)	9,595	-	9,595
Support Services General Administration					
Salaries	693,540	(20,662)	672,878	\$ 672,878	-
Unused Vacation Payment to Terminated/Retired Staff		2,761	2,761	2,761	-
Legal Services	125,032	408,956	533,988	153,373	380,615
Audit Fees	42,600	17,641	60,241	60,241	-
Architectural/Engineering Services	31,608	73,293	104,901	74,406	30,495
Other Purchased Professional Services	95,064	(87,564)	7,500	7,500	-
Purchased Technical Services	90,193	(9,284)	80,909	80,909	-
Communications/Telephone	220,690	58,269	278,959	278,959	-
BOE Other Purchased Services	2,006	1,040	3,046	3,046	-
Miscellaneous Purchased Services	167,786	(70,927)	96,859	92,997	3,862
General Supplies	20,096	2,730	22,826	22,826	-
BOE in House Training/Meeting Supplies	215	(58)	157	157	-
Judgments Against the School District	20,000	480,000	500,000		500,000
Miscellaneous Expenditures	10,228	3,734	13,962	13,962	-
BOE Membership Dues & Fees	41,532	(15,284)	26,248	26,248	-
Total Support Services General Administration	1,560,590	844,645	2,405,235	1,490,263	914,972
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,351,508	(3,882)	1,347,626	1,347,626	-
Salaries of Other Professional Staff	1,013,162	(57,971)	955,191	955,191	-
Salaries of Secretarial and Clerical Assistants	596,562	658	597,220	597,220	-
Other Salaries	120,412	(17,173)	103,239	103,239	-
Unused Vac Payment to Term/Ret Staff		11,752	11,752	11,752	-
Purchased Professional and Technical Services	8,081	12,937	21,018	21,018	-
Other Purchased Services	87,210	65,927	153,137	153,137	-
Supplies and Materials	54,465	14,379	68,844	68,844	-
Other Objects	24,122	10,556	34,678	34,678	-
Total Support Services School Administration	3,255,522	37,183	3,292,705	3,292,705	-
Central Services					
Salaries	530,960	20,681	551,641	551,641	-
Unused Vacation Payment to Terminated/Retired Staff	2,959	(2,959)			-
Purchased Professional Services		2,849	2,849	2,849	-
Purchased Technical Services	92,098	30,991	123,089	123,089	-
Misc. Purchased Services	15,000	40,200	55,200	55,200	-
Supplies and Materials	14,847	2,571	17,418	17,418	-
Miscellaneous Expenditures	11,245	(8,908)	2,337	2,337	-
Total Central Services	667,109	85,425	752,534	752,534	-
Administrative Info Technology					
Salaries	127,387	(1,156)	126,231	126,231	-
Purchased Technical Services	55,001	191,545	246,546	165,796	80,750
Supplies and Materials	5,222	12,890	18,112	17,156	956
Total Administrative Info Technology	187,610	203,279	390,889	309,183	81,706

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Required Maintenance for School Facilities					
Salaries	\$ 618,885	\$ (70,311)	\$ 548,574	\$ 548,574	-
Unused Vacation Payment to Terminated/Retired Staff		23,465	23,465	23,465	-
Cleaning, Repair & Maintenance Services	942,875	666,010	1,608,885	1,444,133	\$ 164,752
General Supplies	79,891	87,920	167,811	167,414	397
Other Objects	2,286	6,534	8,820	8,820	-
	<u>1,643,937</u>	<u>713,618</u>	<u>2,357,555</u>	<u>2,192,406</u>	<u>165,149</u>
Custodial Services					
Salaries	2,240,199	(181,624)	2,058,575	2,058,575	-
Salaries of Non-Instructional Aides	420,000	(266,436)	153,564	153,564	-
Unused Vacation Payment to Terminated/Retired Staff	3,156	(3,156)			-
Purchased Professional & Technical Services	42,640	(42,640)			-
Cleaning, Repair and Maintenance Services	21,575	(4,909)	16,666	15,069	1,597
Rental of Land & Building	245,000	4,637	249,637	231,396	18,241
Other Purchased Property Services	60,000	4,384	64,384	64,347	37
Insurance	503,743	(11,212)	492,531	492,531	-
Miscellaneous Purchased Services	114,547	(113,758)	789	789	-
General Supplies	189,349	128,775	318,124	315,164	2,960
Energy (Natural Gas)	282,000	78,864	360,864	345,561	15,303
Energy (Electricity)	510,210	(30,741)	479,469	457,104	22,365
Energy (Gasoline)	-	8,667	8,667	8,667	-
	<u>4,632,419</u>	<u>(429,149)</u>	<u>4,203,270</u>	<u>4,142,767</u>	<u>60,503</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	18,782	155,682	174,464	171,566	2,898
General Supplies	8,004	15,306	23,310	23,310	-
	<u>26,786</u>	<u>170,988</u>	<u>197,774</u>	<u>194,876</u>	<u>2,898</u>
Security					
Salaries	770,000	(54,476)	715,524	715,524	-
Purchased Professional & Technical Services	188,100	53,001	241,101	235,101	6,000
Cleaning, Repair and Maintenance Services	2,700	21,734	24,434	24,434	-
General Supplies	50,000	(39,322)	10,678	5,435	5,243
Other Objects	3,975	469	4,444	4,444	-
	<u>1,014,775</u>	<u>(18,594)</u>	<u>996,181</u>	<u>984,938</u>	<u>11,243</u>
Undistributed Expenditures					
Student Transportation Services					
Salaries of Non-Instructional Aides	850,000	(345,686)	504,314	504,314	-
Salaries for Pupil Transportation (Between Home and School) - Special Ed	1,226,951	263,681	1,490,632	1,490,632	-
Other Purchased Professional and Technical Svcs	8,500	(6,433)	2,067	2,067	-
Cleaning, Repair and Maintenance Services	165,000	35,792	200,792	189,488	11,304
Rental Payments-School Buses		1,200	1,200	1,200	-
Lease Purchase Payments-School Buses	35,000	(35,000)			-
Contracted Services Aid in Lieu Payments - Choice School Students		1,533	1,533	1,533	-
Contracted Services (Between Home and School) - Vendors		511	511		511
Contracted Services (Other Than Between Home and School) - Vendors	14,181	(5,896)	8,285	8,285	-
Contracted Services (Spec Ed Students) - Vendors		9,632	9,632	9,632	-
Contracted Services (Spec Ed) - ESC's & CTSA's	430,927	239,164	670,091	670,091	-
Miscellaneous Purchased Services - Transportation	10,187	(8,423)	1,764	1,764	-
General Supplies	57,279	868	58,147	46,757	11,390
Transportation Supplies	75,638	37,092	112,730	112,730	-
Other Objects	4,482	(2,766)	1,716	1,716	-
	<u>2,878,145</u>	<u>185,269</u>	<u>3,063,414</u>	<u>3,040,209</u>	<u>23,205</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 936,000	\$ 111,145	\$ 1,047,145	\$ 1,047,145	-
Other Retirement Contributions - PERS	998,500	20,651	1,019,151	991,151	\$ 28,000
Other Retirement Contributions - Regular	60,000	51,440	111,440	111,440	-
Unemployment Compensation	25,000	(21,400)	3,600	3,600	-
Workmen's Compensation	402,525	(107,529)	294,996	294,996	-
Health Benefits	9,290,132	(472,601)	8,817,531	8,225,759	591,772
Tuition Reimbursement	30,000	(19,726)	10,274	10,274	-
Other Employee Benefits	198,100	(23,505)	174,595	174,595	-
Unused Sick Pay to Terminated/Retired Staff	52,759	(26,742)	26,017	26,017	-
	<u>11,993,016</u>	<u>(488,267)</u>	<u>11,504,749</u>	<u>10,884,977</u>	<u>619,772</u>
Total Unallocated Benefits					
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				9,939,062	(9,939,062)
Pension - NCGI Premium				137,893	(137,893)
LTDI Premium				2,798	(2,798)
Post-Retirement Medical Benefit Contribution				2,647,192	(2,647,192)
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	-	-	-	2,151,317	(2,151,317)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,878,262</u>	<u>(14,878,262)</u>
Total On-Behalf Contributions					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,878,262</u>	<u>(14,878,262)</u>
Total Undistributed Expenditures	<u>39,027,254</u>	<u>1,446,285</u>	<u>40,473,539</u>	<u>53,404,646</u>	<u>(12,931,107)</u>
Interest on Maintenance Reserve	1	-	1		1
Interest on Current Expense Emergency Reserve	1	-	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>
Total Expenditures - Current Expenditures	<u>74,378,257</u>	<u>716,064</u>	<u>75,094,321</u>	<u>87,594,049</u>	<u>(12,499,728)</u>
CAPITAL OUTLAY					
Equipment					
Instruction					
Grades 1-5		80,008	80,008	80,008	-
Grades 6-8		14,007	14,007	14,007	-
Grades 9-12	19,112	62,603	81,715	74,426	7,289
Autism	10,050	(10,050)			-
School-Sponsored & Other Instr. Programs	13,269	161,436	174,705	96,205	78,500
Support Services					
Instruction	118,698	(112,476)	6,222	6,222	-
General Administration	2,815	(2,815)			-
School Administration	7,391	(5,023)	2,368	2,368	-
Custodial Services		3,239	3,239	3,239	-
Admin Info Tech	34,850	568,692	603,542	8,175	595,367
Required School Maintenance	45,000	178,748	223,748	119,358	104,390
Care and Upkeep of Grounds		17,072	17,072	17,072	-
Security	40,232	212,136	252,368	252,368	-
Non-Instructional Equipment		13,391	13,391	11,988	1,403
School Buses - Regular	251,240	142,898	394,138	394,138	-
School Buses - Special	241,100	925,094	1,166,194	434,657	731,537
	<u>783,757</u>	<u>2,248,960</u>	<u>3,032,717</u>	<u>1,514,231</u>	<u>1,518,486</u>
Total Equipment					
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	148,536	66,115	214,651	48,951	165,700
Other Purchased Professional/Technical Svcs.	65,968	(34,693)	31,275	31,275	-
Construction Services	2,577,353	1,129,883	3,707,236	1,096,685	2,610,551
SDA - Debt Service Assessment	10,486	-	10,486	10,486	-
	<u>2,802,343</u>	<u>1,161,305</u>	<u>3,963,648</u>	<u>1,187,397</u>	<u>2,776,251</u>
Total Facilities Acquis. and Const. Services					
Interest on Capital Reserve	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>
Total Capital Outlay	<u>3,586,101</u>	<u>3,410,265</u>	<u>6,996,366</u>	<u>2,701,628</u>	<u>4,294,738</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	\$ 37,005	\$ (800)	\$ 36,205	36,205	-
Other Purchased Services	378	399	777	777	-
General Supplies	900	(487)	413	413	-
Other Objects	-	72	72	72	-
	<u>38,283</u>	<u>(816)</u>	<u>37,467</u>	<u>37,467</u>	<u>-</u>
Total Summer School - Instruction					
	<u>38,283</u>	<u>(816)</u>	<u>37,467</u>	<u>37,467</u>	<u>-</u>
Total Summer School					
	<u>38,283</u>	<u>(816)</u>	<u>37,467</u>	<u>37,467</u>	<u>-</u>
Total Special Schools					
	<u>38,283</u>	<u>(816)</u>	<u>37,467</u>	<u>37,467</u>	<u>-</u>
Charter Schools					
Transfer to Charter Schools	96,116	88,888	185,004	185,004	-
	<u>96,116</u>	<u>88,888</u>	<u>185,004</u>	<u>185,004</u>	<u>-</u>
Total Transfer to Charter Schools					
	<u>96,116</u>	<u>88,888</u>	<u>185,004</u>	<u>185,004</u>	<u>-</u>
Total Expenditures	<u>78,098,757</u>	<u>4,214,401</u>	<u>82,313,158</u>	<u>90,518,148</u>	<u>\$ (8,204,990)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,662,409)</u>	<u>(4,214,401)</u>	<u>(8,876,810)</u>	<u>1,269,689</u>	<u>10,146,499</u>
Other Financing Sources (Uses)					
Transfers Out - Local Contribution to Special Revenue Fund	(174,690)	-	(174,690)	(174,690)	-
Insurance Recoveries	-	1,005,015	1,005,015	1,024,598	19,583
	<u>(174,690)</u>	<u>1,005,015</u>	<u>830,325</u>	<u>849,908</u>	<u>19,583</u>
Total Other Financing Sources (Uses)					
	<u>(174,690)</u>	<u>1,005,015</u>	<u>830,325</u>	<u>849,908</u>	<u>19,583</u>
Net Changes in Fund Balance	<u>(4,837,099)</u>	<u>(3,209,386)</u>	<u>(8,046,485)</u>	<u>2,119,597</u>	<u>10,166,082</u>
Fund Balance, Beginning of Year	<u>16,244,905</u>	<u>-</u>	<u>16,244,905</u>	<u>16,244,905</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 11,407,806</u>	<u>\$ (3,209,386)</u>	<u>\$ 8,198,420</u>	<u>\$ 18,364,502</u>	<u>\$ 10,166,082</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
Recapitulation of Fund Balance					
Restricted					
Capital Reserve				\$ 2,149,899	
Capital Reserve - Designated for Subsequent Year's Expenditures				2,967,060	
Maintenance Reserve				776,907	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				294,093	
Emergency Reserve				190,819	
Emergency Reserve - Designated for Subsequent Year's Expenditures				262,181	
Tuition Adjustments - 2022/2023				395,000	
Tuition Adjustments - 2021/2022 - Designated for Subsequent Year's Expenditures				395,000	
Unemployment Compensation Reserve				273,015	
Excess Surplus				1,010,833	
Excess Surplus - Designated for Subsequent Year's Expenditures				910,833	
Committed					
Year-End Encumbrances				2,140,087	
Assigned					
Year-End Encumbrances				1,660,813	
Designated for Subsequent Year's Expenditures				941,921	
Unassigned				<u>3,996,041</u>	
Fund Balance - Budgetary Basis				18,364,502	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Revenue Not Recognized on GAAP Basis				<u>(4,302,486)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 14,062,016</u>	

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
Federal	\$ 1,305,141	\$ 5,499,479	\$ 6,804,620	\$ 6,141,999	\$ (662,621)
State	1,171,688	356,537	1,528,225	1,185,074	(343,151)
Local Sources					
Miscellaneous	-	264,308	264,308	267,994	3,686
Total Revenues	<u>2,476,829</u>	<u>6,120,324</u>	<u>8,597,153</u>	<u>7,595,067</u>	<u>(1,002,086)</u>
EXPENDITURES					
Instruction					
Salaries	606,781	190,531	797,312	734,999	62,313
Other Salaries for Instruction	108,601	307	108,908	108,908	-
Purchased Professional / Technical Services		27,057	27,057	27,032	25
Purchased Professional / Educational Services		3,500	3,500	3,500	-
Tuition		251,106	251,106	251,106	-
Other Purchased Services	829,923	(38,588)	791,335	789,335	2,000
General Supplies	100,000	277,495	377,495	128,201	249,294
Miscellaneous Expenditures		1,540	1,540	1,540	-
School-Sponsored/Cocurricular Activities	-	105,047	105,047	105,047	-
Total Instruction	<u>1,645,305</u>	<u>817,995</u>	<u>2,463,300</u>	<u>2,149,668</u>	<u>313,632</u>
Support Services					
Salaries of Supervisors of Instruction	70,250	118	70,368	70,250	118
Salaries of Secretaries & Clerical Assistants	20,266	(23)	20,243	13,386	6,857
Salaries of Other Professional Staff	180,499	356,345	536,844	399,623	137,221
Salaries of Custodial Staff	55,794	-	55,794	55,794	-
Salaries of Family/Parent Liaison	17,274	(1,418)	15,856	15,783	73
Salaries of Master Teacher	75,000	(9,342)	65,658	62,658	3,000
Purchased Services - Employee Benefits	127,286	225,256	352,542	314,084	38,458
Purchased Professional / Educational Services - Head Start	225,940	34,760	260,700	250,551	10,149
Purchased Professional / Technical Services	99,846	197,445	297,291	222,086	75,205
Purchased Professional / Educational Services	36,000	8,689	44,689	37,691	6,998
Cleaning, Repair and Maintenance	40,000	(20,832)	19,168	13,263	5,905
Other Purchased Services	5,000	46,239	51,239	38,740	12,499
Travel	15,000	(13,660)	1,340	173	1,167
General Supplies	18,059	29,667	47,726	24,128	23,598
Miscellaneous Expenditures		400	400	400	-
Scholarship Awards	-	41,150	41,150	41,150	-
Total Support Services	<u>986,214</u>	<u>894,794</u>	<u>1,881,008</u>	<u>1,559,760</u>	<u>321,248</u>
Capital Outlay					
Construction Services		4,401,792	4,401,792	4,015,871	385,921
Instructional Equipment	10,000	-	10,000	-	10,000
Non-Instructional Equipment	10,000	5,743	15,743	5,743	10,000
Total Capital Outlay	<u>20,000</u>	<u>4,407,535</u>	<u>4,427,535</u>	<u>4,021,614</u>	<u>405,921</u>
Total Expenditures	<u>2,651,519</u>	<u>6,120,324</u>	<u>8,771,843</u>	<u>7,731,042</u>	<u>1,040,801</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures					
	<u>(174,690)</u>	<u>-</u>	<u>(174,690)</u>	<u>(135,975)</u>	<u>38,715</u>
Other Financing Sources (Uses)					
Transfers In - Local Contribution from General Fund	174,690	-	174,690	174,690	-
Total Other Financing Sources (Uses)	<u>174,690</u>	<u>-</u>	<u>174,690</u>	<u>174,690</u>	<u>-</u>
Net Changes in Fund Balance					
	-	-	-	38,715	38,715
Fund Balance, Beginning of Year					
	<u>127,434</u>	<u>-</u>	<u>127,434</u>	<u>127,434</u>	<u>-</u>
Fund Balance, End of Year					
	<u>\$ 127,434</u>	<u>\$ -</u>	<u>\$ 127,434</u>	<u>\$ 166,149</u>	<u>\$ 38,715</u>
Reconciliation of Fund Balance					
Restricted					
Student Activities				\$ 101,795	
Scholarships				64,354	
				<u>\$ 166,149</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 91,787,837	\$ 7,595,067
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements (2022-2023)	(4,302,486)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2021-2022)	3,659,479	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2023		(2,651,699)
Encumbrances, June 30, 2022	-	638,071
	-----	-----
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 91,144,830</u>	<u>\$ 5,581,439</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 90,518,148	\$ 7,731,042
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances, June 30, 2023		(2,651,699)
Encumbrances, June 30, 2022	-	638,071
	-----	-----
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 90,518,148</u>	<u>\$ 5,717,414</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III
PENSION INFORMATION
AND
OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Ten Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.07860 %	0.07644 %	0.07266 %	0.07752 %	0.07877 %	0.07721 %	0.07735 %	0.07337 %	0.07169 %	0.07374 %
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 11,861,430</u>	<u>\$ 9,055,138</u>	<u>\$ 11,848,577</u>	<u>\$ 13,967,071</u>	<u>\$ 15,509,301</u>	<u>\$ 17,972,495</u>	<u>\$ 22,908,206</u>	<u>\$ 16,470,376</u>	<u>\$ 13,422,487</u>	<u>\$ 14,093,792</u>
District's Covered Payroll	<u>\$ 5,781,464</u>	<u>\$ 5,668,068</u>	<u>\$ 5,427,999</u>	<u>\$ 5,373,514</u>	<u>\$ 5,451,417</u>	<u>\$ 5,215,348</u>	<u>\$ 5,264,179</u>	<u>\$ 4,816,801</u>	<u>\$ 4,706,180</u>	<u>\$ 4,569,773</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	205.16% %	159.76% %	218.29% %	259.92% %	284.50% %	344.61% %	435.17% %	341.94% %	285.21% %	308.41% %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91 %	70.33 %	58.32 %	56.27 %	53.60 %	48.10 %	40.14 %	47.93 %	52.08 %	48.72 %

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

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 991,151	\$ 895,169	\$ 794,839	\$ 753,995	\$ 783,501	\$ 715,238	\$ 687,147	\$ 630,796	\$ 591,009	\$ 555,640
Contributions in Relation to the Contractually Required Contribution	<u>991,151</u>	<u>895,169</u>	<u>794,839</u>	<u>753,995</u>	<u>783,501</u>	<u>715,238</u>	<u>687,147</u>	<u>630,796</u>	<u>591,009</u>	<u>555,640</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 6,243,955</u>	<u>\$ 5,781,464</u>	<u>\$ 5,668,068</u>	<u>\$ 5,427,999</u>	<u>\$ 5,373,514</u>	<u>\$ 5,451,417</u>	<u>\$ 5,215,348</u>	<u>\$ 5,264,179</u>	<u>\$ 4,816,801</u>	<u>\$ 4,760,180</u>
Contributions as a Percentage of Covered Payroll	15.87%	15.48%	14.02%	13.89%	14.58%	13.12%	13.18%	11.98%	12.27%	11.67%

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 125,280,628</u>	<u>\$ 112,282,264</u>	<u>\$ 156,534,378</u>	<u>\$ 147,492,469</u>	<u>\$ 152,251,485</u>	<u>\$ 162,651,204</u>	<u>\$ 178,227,969</u>	<u>\$ 148,367,767</u>	<u>\$ 133,555,508</u>	<u>\$ 125,618,626</u>
Total	<u>\$ 125,280,628</u>	<u>\$ 112,282,264</u>	<u>\$ 156,534,378</u>	<u>\$ 147,492,469</u>	<u>\$ 152,251,485</u>	<u>\$ 162,651,204</u>	<u>\$ 178,227,969</u>	<u>\$ 148,367,767</u>	<u>\$ 133,555,508</u>	<u>\$ 125,618,626</u>
District's Covered Payroll	<u>\$ 28,852,486</u>	<u>\$ 27,704,616</u>	<u>\$ 27,248,732</u>	<u>\$ 25,327,067</u>	<u>\$ 25,501,771</u>	<u>\$ 24,402,413</u>	<u>\$ 24,464,937</u>	<u>\$ 23,020,150</u>	<u>\$ 23,147,876</u>	<u>\$ 22,221,961</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Change of Benefit Terms: None.

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

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Six Fiscal Years*

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 5,862,191	\$ 6,855,927	\$ 3,763,984	\$ 3,596,009	\$ 3,965,490	\$ 4,739,911
Interest on Total OPEB Liability	2,924,431	3,408,901	3,339,243	4,087,235	4,396,609	3,815,755
Changes in Benefit Terms		(139,870)				
Differences Between Expected and Actual Experiences	2,561,741	(26,081,250)	24,994,086	(16,792,160)	(10,608,683)	-
Changes of Assumptions	(29,602,729)	129,646	27,369,567	1,385,098	(11,864,259)	(15,875,875)
Gross Benefit Payments	(2,896,736)	(2,685,259)	(2,608,490)	(2,851,654)	(2,764,551)	(2,452,174)
Contribution from the Member	92,928	87,149	79,064	84,531	95,547	90,295
Net Change in Total OPEB Liability	(21,058,174)	(18,424,756)	56,937,454	(10,490,941)	(16,779,847)	(9,682,088)
Total OPEB Liability - Beginning	131,409,486	149,834,242	92,896,788	103,387,729	120,167,576	129,849,664
Total OPEB Liability - Ending	\$ 110,351,312	\$ 131,409,486	\$ 149,834,242	\$ 92,896,788	\$ 103,387,729	\$ 120,167,576
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	110,351,312	131,409,486	149,834,242	92,896,788	103,387,729	120,167,576
Total OPEB Liability - Ending	\$ 110,351,312	\$ 131,409,486	\$ 149,834,242	\$ 92,896,788	\$ 103,387,729	\$ 120,167,576
District's Covered Payroll	\$ 34,633,950	\$ 33,372,684	\$ 32,676,731	\$ 30,700,581	\$ 30,953,188	\$ 29,617,761
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%

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

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

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

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Preschool Education Aid	CRRSA ESSER II			ESSER III	Accelerated Learning Coach and Educator Support	American Rescue Plan - ESSER III		NJSS	Homeless - Children and Youth	SDA Emergent & Capital Maint. Needs	Local Donations	Scholarships	Student Activities	Total to Exhibit E-1A
		ESSER II	Learning Acceleration	Mental Health			Evidence-Based Summer Learning and Enrichment	Evidence-Based Comprehensive Beyond the School Day							
REVENUES															
Intergovernmental															
Federal															
State	\$ 1,003,353	\$ 1,446,349	\$ 24,333	\$ 1,532	\$ 2,495,835	\$ 160,227	\$ 30,760	\$ 10,860	\$ 25,376	\$ 10,096	\$ 175,187			\$ 4,205,368	
Other Sources	-	-	-	-	-	-	-	-	-	-	-	\$ 83,082	\$ 57,052	\$ 127,860	1,178,540
Total Revenues	\$ 1,003,353	\$ 1,446,349	\$ 24,333	\$ 1,532	\$ 2,495,835	\$ 160,227	\$ 30,760	\$ 10,860	\$ 25,376	\$ 10,096	\$ 175,187	\$ 83,082	\$ 57,052	\$ 127,860	\$ 5,651,902
EXPENDITURES															
Instruction															
Salaries	\$ 297,874	\$ 20,603					\$ 30,760	\$ 10,860			\$ 1,280			\$ 361,377	
Other Salaries for Instruction	108,908													108,908	
Purchased Professional / Technical Services	-											557		557	
Purchased Professional / Educational Services	-											3,500		3,500	
Other Purchased Services	-											5,000		5,000	
General Supplies	10,213		3,730	1,532								52,413		67,888	
Miscellaneous Expenditures	-											1,540		1,540	
Co-Curricular/Extra Curricular Activities	-													105,047	
Total Instruction	416,995	24,333	1,532				30,760	10,860			64,290			105,047	653,817
Support Services															
Salaries of Supervisors of Instruction	70,250													70,250	
Salaries of Secretaries & Clerical Assistants	13,386													13,386	
Salaries of Other Professional Staff	106,017			\$ 69,758	\$ 102,685			\$ 23,573	\$ 6,400					308,433	
Salaries of Custodial Staff	55,794													55,794	
Salaries of Family/Parent Liaison	15,783													15,783	
Salaries of Master Teacher	62,658													62,658	
Purchased Services - Employee Benefits	132,893			31,742	47,142			1,803	490		98			214,168	
Purchased Professional / Educational Services - Head Start	250,551													250,551	
Purchased Professional / Technical Services						10,400								10,400	
Purchased Professional / Educational Services	37,691													37,691	
Cleaning, Repair and Maintenance	13,263													13,263	
Other Purchased Services											7,800			7,800	
Travel	173													173	
General Supplies	2,589								3,206		4,751			10,546	
Miscellaneous Expenditures	-										400			400	
Scholarship Awards	-											\$ 41,150		41,150	
Total Support Services	761,048				101,500	160,227			25,376	10,096		13,049	41,150	1,112,446	
Capital Outlay															
Construction Services	-	1,446,349			2,394,335						\$ 175,187			4,015,871	
Non-Instructional Equipment	-											5,743		5,743	
Total Capital Outlay	-	1,446,349			2,394,335						175,187	5,743		4,021,614	
Total Expenditures	\$ 1,178,043	\$ 1,446,349	\$ 24,333	\$ 1,532	\$ 2,495,835	\$ 160,227	\$ 30,760	\$ 10,860	\$ 25,376	\$ 10,096	\$ 175,187	\$ 83,082	\$ 41,150	\$ 105,047	\$ 5,787,877
Excess (Deficiency) of Revenues over (under) Expenditures	(174,690)												15,902	22,813	(135,975)
Other Financing Sources (Uses)															
Transfer In - General Fund Contribution	174,690														174,690
Total Other Financing Sources (Uses)	174,690														174,690
Net Change in Fund Balance	-												15,902	22,813	38,715
Fund Balance, Beginning of Year	-												48,452	78,982	127,434
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,354	\$ 101,795	\$ 166,149

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Instruction:			
Salaries	\$ 305,489	\$ 297,874	\$ 7,615
Other Salaries for Instruction	108,908	108,908	-
General Supplies	<u>100,000</u>	<u>10,213</u>	<u>89,787</u>
Total Instruction	<u>514,397</u>	<u>416,995</u>	<u>97,402</u>
Support Services:			
Salaries of Supervisors of Instruction	70,368	70,250	118
Salaries of Secretaries & Clerical Assistants	20,243	13,386	6,857
Salaries of Other Professional Staff	106,017	106,017	-
Salaries of Custodial Staff	55,794	55,794	-
Salaries of Family/Parent Liaison	15,856	15,783	73
Salaries of Master Teacher	65,658	62,658	3,000
Purchased Services - Employee Benefits	132,893	132,893	-
Purchased Professional / Educational Services - Head Start	260,700	250,551	10,149
Purchased Professional / Educational Services	44,689	37,691	6,998
Cleaning, Repair and Maintenance	19,168	13,263	5,905
Contracted Services	5,000		5,000
Travel	1,340	173	1,167
General Supplies	<u>14,255</u>	<u>2,589</u>	<u>11,666</u>
Total Support Services	<u>811,981</u>	<u>761,048</u>	<u>50,933</u>
Capital Outlay			
Instructional Equipment	10,000		10,000
Non-Instructional Equipment	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total Capital Outlay	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>\$ 1,346,378</u>	<u>\$ 1,178,043</u>	<u>\$ 168,335</u>
Total 2022-2023 Preschool Education Aid Allocation			\$ 1,135,485
Add: Actual Preschool Aid Carryover (June 30, 2022)			134,909
Add: Budgeted Transfer from the General Fund 2022-2023			<u>174,690</u>
Total Preschool Education Aid Funds Available for 2022-2023 Budget			1,445,084
Less: Budgeted Preschool Education Aid			<u>1,346,378</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023			98,706
Add: June 30, 2023 Unexpended Preschool Education Aid			<u>168,335</u>
2022-2023 Carryover - Preschool Education Aid			<u>\$ 267,041</u>
2022-2023 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2023-2024			<u>\$ 98,706</u>

CAPITAL PROJECTS FUND

NOT APPLICABLE

PROPRIETARY FUNDS

EXHIBIT G-1

**BERGENFIELD BOARD OF EDUCATION
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Purpose</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Balance, June 30, 2023</u>
<u>Leases Payable:</u>						
School Building (Temple Emeth School)	\$ 990,486	4.00%	\$ 453,580	-	\$ 204,474	\$ 249,106
Grand Total			\$ 453,580	\$ -	\$ 204,474	\$ 249,106
				Paid by Budget Appropriation	\$ 204,474	

STATISTICAL SECTION

This part of the Bergenfield Board of Education's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district's overall financial health.

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

BERGENFIELD BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30.									
	2014 (1)	2015	2016	2017	2018	2019	2020 (2)	2021 (3)	2022	2023
Governmental activities										
Net investment in capital assets	\$ 18,048,809	\$ 22,641,054	\$ 25,012,976	\$ 28,022,515	\$ 28,611,872	\$ 28,727,102	\$ 27,622,682	\$ 27,044,852	\$ 27,445,983	\$ 28,979,285
Restricted	8,450,750	7,730,315	7,726,994	6,450,116	5,800,668	4,389,690	4,964,888	5,028,496	6,025,353	7,417,123
Unrestricted	(10,478,093)	(11,055,416)	(11,073,173)	(13,029,569)	(13,245,330)	(14,749,167)	(14,869,081)	(11,792,868)	(9,381,190)	(7,628,062)
Total governmental activities net position	<u>\$ 16,021,466</u>	<u>\$ 19,315,953</u>	<u>\$ 21,666,797</u>	<u>\$ 21,443,062</u>	<u>\$ 21,167,210</u>	<u>\$ 18,367,625</u>	<u>\$ 17,718,489</u>	<u>\$ 20,280,480</u>	<u>\$ 24,090,146</u>	<u>\$ 28,768,346</u>
Business-type activities										
Net investment in capital assets	\$ 13,200	\$ 11,550	\$ 9,900	\$ 8,250	\$ 46,715	\$ 110,717	\$ 102,285	\$ 100,559	\$ 159,456	\$ 177,922
Unrestricted	305,951	208,678	456,322	597,234	567,890	482,846	349,368	876,524	796,577	735,608
Total business-type activities net position	<u>\$ 319,151</u>	<u>\$ 220,228</u>	<u>\$ 466,222</u>	<u>\$ 605,484</u>	<u>\$ 614,605</u>	<u>\$ 593,563</u>	<u>\$ 451,653</u>	<u>\$ 977,083</u>	<u>\$ 956,033</u>	<u>\$ 913,530</u>
District-wide										
Net investment in capital assets	\$ 18,062,009	\$ 22,652,604	\$ 25,022,876	\$ 28,030,765	\$ 28,658,587	\$ 28,837,819	\$ 27,724,967	\$ 27,145,411	\$ 27,605,439	\$ 29,157,207
Restricted	8,450,750	7,730,315	7,726,994	6,450,116	5,800,668	4,389,690	4,964,888	5,028,496	6,025,353	7,417,123
Unrestricted	(10,172,142)	(10,846,738)	(10,616,851)	(12,432,335)	(12,677,440)	(14,266,321)	(14,519,713)	(10,916,344)	(8,584,613)	(6,892,454)
Total district net position	<u>\$ 16,340,617</u>	<u>\$ 19,536,181</u>	<u>\$ 22,133,019</u>	<u>\$ 22,048,546</u>	<u>\$ 21,781,815</u>	<u>\$ 18,961,188</u>	<u>\$ 18,170,142</u>	<u>\$ 21,257,563</u>	<u>\$ 25,046,179</u>	<u>\$ 29,681,876</u>

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

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

Note 3 - Net Position at June 30, 2021 is restated to reflect the implementation of GASB Statement No. 87, "Leases"

BERGENFIELD BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

		Fiscal Year Ended June 30,									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses											
Governmental activities											
Instruction											
Regular	\$	26,071,825	\$ 31,677,273	\$ 32,261,746	\$ 35,767,134	\$ 39,014,007	\$ 36,929,584	\$ 36,531,780	\$ 40,153,160	\$ 35,413,979	\$ 35,216,224
Special Education		10,638,090	12,474,570	12,964,052	14,058,665	14,915,389	15,661,228	14,934,306	15,127,654	14,561,178	15,820,686
Other Instruction		1,833,891	1,811,716	1,856,760	2,459,193	2,394,147	2,344,901	2,308,534	2,438,790	1,761,844	2,157,033
School Sponsored Activities and Athletics		1,043,178	1,099,250	1,147,973	1,343,105	1,322,493	1,462,542	1,245,627	1,057,809	1,261,162	1,367,199
Other Services		28,980									
Support Services:											
Student & instruction Related Services		7,362,058	8,864,355	9,607,497	10,043,184	9,510,697	9,106,779	8,765,472	9,742,688	9,909,253	10,597,543
General Administration		1,394,165	1,412,876	1,364,735	1,430,291	1,509,412	1,724,881	1,659,985	1,737,697	1,606,817	1,757,555
School Administrative Services		3,741,186	4,549,105	4,955,690	5,692,952	5,602,769	5,140,698	5,115,814	5,505,011	4,378,661	4,449,431
Central Administrative Services		731,002	787,507	869,321	986,636	909,104	913,184	1,167,210	1,096,293	1,305,742	1,264,730
Plant Operations and Maintenance		6,421,972	6,854,874	6,772,981	7,684,744	7,628,841	8,308,017	7,054,618	7,738,425	9,717,551	9,193,795
Student Transportation		2,013,627	2,106,932	2,331,057	2,602,644	2,781,290	2,833,294	2,776,268	2,435,381	3,256,322	3,717,974
Interest on long-term debt										22,426	14,422
Total governmental activities expenses		<u>61,279,974</u>	<u>71,638,458</u>	<u>74,131,812</u>	<u>82,068,548</u>	<u>85,588,149</u>	<u>84,425,108</u>	<u>81,559,614</u>	<u>87,032,908</u>	<u>83,194,935</u>	<u>85,556,592</u>
Business-type activities:											
Food service		1,095,065	1,273,741	1,103,811	1,184,300	1,346,318	1,360,546	1,347,031	9,795,767	2,391,983	1,759,350
Summer Enrichment Program		40,709	46,792	6,465	50,408	66,553	80,695	80,220	46,769	73,467	108,444
Total business-type activities expense		<u>1,135,774</u>	<u>1,320,533</u>	<u>1,110,276</u>	<u>1,234,708</u>	<u>1,412,871</u>	<u>1,441,241</u>	<u>1,427,251</u>	<u>9,842,536</u>	<u>2,465,450</u>	<u>1,867,794</u>
Total district expenses		<u>\$ 62,415,748</u>	<u>\$ 72,958,991</u>	<u>\$ 75,242,088</u>	<u>\$ 83,303,256</u>	<u>\$ 87,001,020</u>	<u>\$ 85,866,349</u>	<u>\$ 82,986,865</u>	<u>\$ 96,875,444</u>	<u>\$ 85,660,385</u>	<u>\$ 87,424,386</u>
Program Revenues											
Governmental activities:											
Charges for services:											
Instruction	\$	1,597,066	\$ 1,468,802	\$ 1,426,329	\$ 1,255,713	\$ 1,570,992	\$ 1,567,473	\$ 1,818,510	\$ 2,209,273	\$ 2,716,981	\$ 3,037,044
Support Services		147,527	74,377	96,691	85,678	71,521	48,236	54,810	45,608	82,326	96,474
Operating grants and contributions		9,555,009	16,368,958	17,818,879	22,433,036	25,085,249	21,146,614	18,470,860	25,866,328	19,541,248	17,805,497
Capital grants and contributions			430,227	1,322,518	1,333,717	652,889	46,732	396,784	107,634	382,196	1,375,911
Total governmental activities program revenues		<u>11,299,602</u>	<u>18,342,364</u>	<u>20,664,417</u>	<u>25,108,144</u>	<u>27,380,651</u>	<u>22,809,055</u>	<u>20,740,964</u>	<u>28,228,843</u>	<u>22,722,751</u>	<u>22,314,926</u>
Business-type activities:											
Charges for services:											
Food service	\$	591,610	\$ 544,341	\$ 566,895	\$ 606,659	\$ 609,273	\$ 633,555	\$ 463,974	\$ 6,622	\$ 37,768	\$ 635,565
Summer Enrichment Program		54,475	51,351	80,380	49,258	63,978	66,577	77,070	27,040	57,600	90,532
Operating grants and contributions		612,669	625,918	708,995	718,053	748,741	720,067	744,297	10,334,304	2,349,032	1,087,063
Total business type activities program revenues		<u>1,258,754</u>	<u>1,221,610</u>	<u>1,356,270</u>	<u>1,373,970</u>	<u>1,421,992</u>	<u>1,420,199</u>	<u>1,285,341</u>	<u>10,367,966</u>	<u>2,444,400</u>	<u>1,813,160</u>
Total district program revenues		<u>\$ 12,558,356</u>	<u>\$ 19,563,974</u>	<u>\$ 22,020,687</u>	<u>\$ 26,482,114</u>	<u>\$ 28,802,643</u>	<u>\$ 24,229,254</u>	<u>\$ 22,026,305</u>	<u>\$ 38,596,809</u>	<u>\$ 25,167,151</u>	<u>\$ 24,128,086</u>
Net (Expense)/Revenue											
Governmental activities	\$	(49,980,372)	\$ (53,296,094)	\$ (53,467,395)	\$ (56,960,404)	\$ (58,207,498)	\$ (61,616,053)	\$ (60,818,650)	\$ (58,804,065)	\$ (60,472,184)	\$ (63,241,666)
Business-type activities		122,980	(98,923)	245,994	139,262	9,121	(21,042)	(141,910)	525,430	(21,050)	(54,634)
Total district-wide net expense		<u>\$ (49,857,392)</u>	<u>\$ (53,395,017)</u>	<u>\$ (53,221,401)</u>	<u>\$ (56,821,142)</u>	<u>\$ (58,198,377)</u>	<u>\$ (61,637,095)</u>	<u>\$ (60,960,560)</u>	<u>\$ (58,278,635)</u>	<u>\$ (60,493,234)</u>	<u>\$ (63,296,300)</u>

BERGENFIELD BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 46,194,008	\$ 46,194,008	\$ 47,016,865	\$ 47,959,500	\$ 48,791,976	\$ 49,523,856	\$ 49,523,856	\$ 50,248,270	\$ 51,059,211	\$ 51,457,799
Unrestricted Aid and contributions	8,302,723	8,396,653	8,537,481	8,516,937	8,933,450	8,951,490	9,754,938	10,381,141	13,013,430	15,849,352
Miscellaneous income	304,709	1,344,956	263,893	260,232	206,220	341,122	473,078	576,641	209,209	612,715
Total governmental activities	<u>\$ 54,801,440</u>	<u>\$ 55,935,617</u>	<u>\$ 55,818,239</u>	<u>\$ 56,736,669</u>	<u>\$ 57,931,646</u>	<u>\$ 58,816,468</u>	<u>\$ 59,751,872</u>	<u>\$ 61,206,052</u>	<u>\$ 64,281,850</u>	<u>\$ 67,919,866</u>
Business-type activities:										
Investment earnings										12,131
Transfers										
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,131</u>
Total district-wide	<u>\$ 54,801,440</u>	<u>\$ 55,935,617</u>	<u>\$ 55,818,239</u>	<u>\$ 56,736,669</u>	<u>\$ 57,931,646</u>	<u>\$ 58,816,468</u>	<u>\$ 59,751,872</u>	<u>\$ 61,206,052</u>	<u>\$ 64,281,850</u>	<u>\$ 67,931,997</u>
Change in Net Position										
Governmental activities	\$ 4,821,068	\$ 2,639,523	\$ 2,350,844	\$ (223,735)	\$ (275,852)	\$ (2,799,585)	\$ (1,066,778)	\$ 2,401,987	\$ 3,809,666	\$ 4,678,200
Business-type activities	122,980	(98,923)	245,994	139,262	9,121	(21,042)	(141,910)	525,430	(21,050)	(42,503)
Total district	<u>\$ 4,944,048</u>	<u>\$ 2,540,600</u>	<u>\$ 2,596,838</u>	<u>\$ (84,473)</u>	<u>\$ (266,731)</u>	<u>\$ (2,820,627)</u>	<u>\$ (1,208,688)</u>	<u>\$ 2,927,417</u>	<u>\$ 3,788,616</u>	<u>\$ 4,635,697</u>

BERGENFIELD BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020 (1)	2021	2022	2023
General Fund										
Restricted	\$ 9,673,844	\$ 7,375,064	\$ 6,624,425	\$ 6,368,211	\$ 5,996,513	\$ 6,361,168	\$ 7,037,115	\$ 7,590,301	\$ 8,397,238	\$ 9,625,640
Committed	1,226,800	689,234	813,202	545,225	979,060	906,968	1,264,224	2,292,757	999,309	2,140,087
Assigned	963,478	845,783	1,240,499	1,173,305	1,272,029	331,975	107,195	1,338,212	1,929,269	2,602,734
Unassigned	227,376	312,471	246,438	253,802	224,297	-	-	-	1,259,610	(306,445)
Total general fund	<u>\$ 12,091,498</u>	<u>\$ 9,222,552</u>	<u>\$ 8,924,564</u>	<u>\$ 8,340,543</u>	<u>\$ 8,471,899</u>	<u>\$ 7,600,111</u>	<u>\$ 8,408,534</u>	<u>\$ 11,221,270</u>	<u>\$ 12,585,426</u>	<u>\$ 14,062,016</u>
All Other Governmental Funds										
Restricted	\$ 1,601,081	\$ 3,179,431	\$ 3,958,186	\$ 2,967,001	\$ 2,687,313	\$ 867,587	\$ 616,745	\$ 127,167	\$ 127,434	\$ 166,149
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 1,601,081</u>	<u>\$ 3,179,431</u>	<u>\$ 3,958,186</u>	<u>\$ 2,967,001</u>	<u>\$ 2,687,313</u>	<u>\$ 867,587</u>	<u>\$ 616,745</u>	<u>\$ 127,167</u>	<u>\$ 127,434</u>	<u>\$ 166,149</u>

Note 1 - Fund Balances at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities"

**BERGENFIELD BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property Tax levy	\$ 46,194,008	\$ 46,194,008	\$ 47,016,865	\$ 47,959,500	\$ 48,791,976	\$ 49,523,856	\$ 49,523,856	\$ 50,248,270	\$ 51,059,211	\$ 51,457,799
Tuition and Fees	1,744,593	1,543,179	1,426,329	1,255,713	1,642,513	1,567,473	1,873,320	2,224,552	2,701,085	3,005,658
Interest Earnings			96,691	85,678	56,806	48,236				
Miscellaneous	368,549	1,465,414	291,781	287,765	176,601	366,722	484,176	370,440	348,397	880,709
State Sources	16,264,591	17,538,833	18,803,343	19,829,611	20,557,081	21,860,920	23,572,177	26,313,140	33,616,948	37,063,580
Federal Sources	1,529,301	1,619,115	1,602,401	1,748,644	1,869,589	2,121,495	1,740,090	2,405,264	2,240,113	4,318,523
Total revenue	66,101,042	68,360,549	69,237,410	71,166,911	73,094,566	75,488,702	77,193,619	81,561,666	89,965,754	96,726,269
Expenditures										
Instruction										
Regular Instruction	25,805,127	27,172,483	26,794,699	27,944,524	30,447,802	32,100,965	33,112,921	34,873,484	38,096,337	39,445,045
Special Education Instruction	10,506,238	11,511,294	11,733,937	12,448,080	13,009,642	14,358,262	13,738,847	13,647,635	15,002,017	16,557,214
Other Instruction	1,832,881	1,623,457	1,626,776	2,049,821	2,012,214	2,135,910	2,183,622	2,211,143	1,904,221	2,406,162
School Sponsored Activities and Athletics	1,042,604	1,097,656	1,117,500	1,231,523	1,187,873	1,398,216	1,244,010	1,020,675	1,326,170	1,500,448
Other Services	28,980									
Support Services:										
Student & Inst. Related Services	7,335,700	8,270,139	8,630,973	8,610,516	8,028,518	8,386,935	8,396,688	8,933,317	10,424,871	11,485,456
General Administrative Services	1,388,322	1,400,528	1,331,947	1,345,970	1,395,929	1,675,401	1,655,175	1,689,893	1,680,954	1,879,276
School Administrative Services	3,712,382	3,957,485	4,202,650	4,529,850	4,472,887	4,601,304	4,791,846	4,923,674	4,573,984	4,852,412
Central Administrative Services	730,460	786,066	844,392	901,882	815,269	873,516	1,164,429	1,055,926	1,365,401	1,372,799
Plant Operations and Maintenance	6,397,830	6,810,941	6,579,448	7,122,118	6,938,470	8,003,591	6,992,160	7,463,211	7,767,609	8,639,586
Student Transportation	1,945,113	2,039,773	2,211,757	2,339,377	2,476,943	2,641,008	2,693,741	2,253,822	3,276,359	3,811,215
Capital Outlay	5,412,044	4,981,323	3,682,564	4,218,456	2,457,351	2,005,108	1,080,241	1,501,895	3,097,925	4,067,053
Debt Service:										
Principal									196,470	204,474
Interest and Other Charges									22,426	14,422
Total expenditures	66,137,681	69,651,145	68,756,643	72,742,117	73,242,898	78,180,216	77,053,680	79,574,675	88,734,744	96,235,562
Excess (Deficiency) of revenues over (under) expenditures	(36,639)	(1,290,596)	480,767	(1,575,206)	(148,332)	(2,691,514)	139,939	1,986,991	1,231,010	490,707
Other Financing sources (uses)										
Insurance Recovery								336,167	133,413	1,024,598
Transfers in	2,525,000	3,747,496	2,655,934	1,003,303	760,955	1,367,796	1,033,769	666,451	198,880	174,690
Transfers out	(2,525,000)	(3,747,496)	(2,655,934)	(1,003,303)	(760,955)	(1,367,796)	(1,033,769)	(666,451)	(198,880)	(174,690)
Total other financing sources (uses)	-	-	-	-	-	-	-	336,167	133,413	1,024,598
Net change in fund balances	\$ (36,639)	\$ (1,290,596)	\$ 480,767	\$ (1,575,206)	\$ (148,332)	\$ (2,691,514)	\$ 139,939	\$ 2,323,158	\$ 1,364,423	\$ 1,515,305
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.26%	0.24%

* Noncapital expenditures are total expenditures less capital outlay.

BERGENFIELD BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Transportation Fees</u>	<u>Athletic Gate Receipts</u>	<u>Interest on Investments</u>	<u>Rents</u>	<u>Cancelled Prior Year Orders</u>	<u>Clean Energy/E-Rate</u>	<u>Prior Year Refunds</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 1,597,066	\$ 147,527		\$ 23,499	\$ 13,398			\$ 234,666	\$ 33,146	\$ 2,049,302
2015	1,468,802	74,377		18,256	9,625	\$ 1,070,232		103,992	142,851	2,888,135
2016	1,426,329	96,691		15,333	4,440	\$ 17,923		88,212	137,985	1,786,913
2017	1,255,713	85,678		19,835	4,830	17,746		101,939	115,882	1,601,623
2018	1,570,992	71,521		56,806	4,620			1,218	143,576	1,848,733
2019	1,567,473	48,236		101,866	5,220	84,679			149,357	1,956,831
2020	1,818,510	54,810	\$ 5,062	77,782	5,430	107,490	\$ 85,286	22,775	169,253	2,346,398
2021	2,178,944	45,608		28,158		4,974		25,076	246,532	2,529,292
2022	2,618,759	82,326	5,230	16,559		6,983	79,920	31,610	68,907	2,910,294
2023	2,909,184	96,474	9,414	387,083	816	15,492	76,383	24,133	99,394	3,618,373

BERGENFIELD BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 7,228,800	\$ 2,195,867,700	\$ 270,292,300	\$ 44,003,400	\$ 116,438,800	\$ 2,633,831,000	\$ 900,000	\$ 2,634,731,000	\$ 2,563,061,673	\$ 1.753
2015	7,187,600	2,196,822,200	269,567,700	42,589,900	116,438,800	2,632,606,200	98,340	2,632,704,540	2,684,336,177	1.773
2016	7,673,200	2,205,008,400	268,446,900	42,589,900	115,784,000	2,639,502,400	98,340	2,639,600,740	2,714,961,138	1.798
2017	7,257,700	2,218,874,700	267,250,300	42,302,100	114,531,300	2,650,216,100	96,840	2,650,312,940	2,766,941,136	1.826
2018	6,917,400	2,240,220,200	264,923,200	42,302,100	115,243,800	2,669,606,700	96,840	2,669,703,540	2,857,758,807	1.842
2019	7,244,000	2,250,590,900	264,397,200	42,302,100	115,243,800	2,679,778,000	87,730	2,679,865,730	3,062,156,607	1.848
2020	7,748,600	2,256,922,500	262,579,000	42,302,100	114,593,300	2,684,145,500	87,730	2,684,233,230	3,204,563,002	1.859
2021	5,413,300	2,276,685,400	261,932,600	42,302,100	123,096,300	2,709,429,700	87,730	2,709,517,430	3,312,069,816	1.870
2022	4,559,300	2,288,016,800	257,050,200	42,017,100	125,561,200	2,717,204,600	87,730	2,717,292,330	3,505,476,387	1.894
2023	3,762,900	2,303,117,200	256,687,800	41,273,800	119,913,900	2,724,755,600	87,730	2,724,843,330	3,796,867,157	1.899

92

Source: County Abstract of Ratables

^a Tax rates are per \$100

N/A - Not Available

**BERGENFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS**

(Unaudited)

(rate per \$100 of assessed value)

Calendar Year	Total Direct School Tax Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Bergenfield Local School District	Municipality of Bergenfield	County of Bergen		
2014	\$ 1.753	\$ 1.087	\$ 0.225	\$	3.065
2015	1.773	1.104	0.245		3.122
2016	1.798	1.120	0.253		3.171
2017	1.826	1.135	0.261		3.222
2018	1.842	1.135	0.261		3.238
2019	1.848	1.136	0.278		3.262
2020	1.859	1.145	0.296		3.300
2021	1.870	1.145	0.307		3.322
2022	1.894	1.152	0.311		3.357
2023	1.899	1.178	0.333		3.410

Source: County Abstract of Ratables

**BERGENFIELD BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)**

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Glanticpoint Properties, LLC	\$ 19,000,000	0.006972878		
Glance, Rabinowitz & Point Properties			\$ 19,277,200	0.73%
Tower Ivy Lane, LLC	18,850,000	0.69%	18,850,000	0.72%
Knickerbocker Country Club	17,000,000	0.62%	17,000,000	0.65%
Oster Bergenfield Properties	16,500,000	0.61%	16,500,000	0.63%
Tower Management Financing Partnership			13,350,000	0.51%
Tower Omni 2015 LLC	13,350,000	0.49%		
St. James Apts, VAP International	10,900,000	0.40%	11,526,700	0.44%
Lidl U.S. Operations, LLC	10,215,400	0.37%		
Pathmark Stores, LLC			10,215,400	0.39%
Legion Manor Assoc., LLC	10,000,000	0.37%		
Bergenfield Senior Housing LLC			10,000,000	0.38%
New Woodbine, LLC			7,100,000	0.27%
New Bridge Shopping Center LLC	7,100,000	0.26%		
Keepers Bergenfield, LLC			5,496,700	0.21%
Hickory Manor % Ridgetop Corp.	7,804,500	0.29%		
	<u>\$ 130,719,900</u>	<u>4.80%</u>	<u>\$ 129,316,000</u>	<u>4.91%</u>

Source: Municipal Tax Assessor

**BERGENFIELD BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 46,194,008	\$ 41,773,143	100.00%	\$ 4,420,865
2015	46,194,008	46,194,008	100.00%	
2016	47,016,865	47,016,865	100.00%	
2017	47,959,500	47,959,500	100.00%	
2018	48,791,976	48,791,976	100.00%	
2019	49,523,856	49,523,856	100.00%	
2020	49,523,856	49,523,856	100.00%	
2021	50,248,270	50,248,270	100.00%	
2022	51,059,211	51,059,211	100.00%	
2023	51,457,799	51,457,799	100.00%	

BERGENFIELD BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements	Leases Payable			
2014				\$ -	27,301	\$ -
2015				-	27,340	-
2016				-	27,329	-
2017				-	27,456	-
2018				-	27,387	-
2019				-	27,329	-
2020				-	27,371	-
2021			\$ 650,050	650,050	28,206	23
2022			453,580	453,580	28,163	16
2023			249,106	249,106	28,163 (E)	9

(E) - Estimate

Source: District records

**BERGENFIELD BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita
	General Obligation Bonds	Deductions			
2014				0.00%	\$ -
2015				0.00%	-
2016				0.00%	-
2017				0.00%	-
2018				0.00%	-
2019				0.00%	-
2020				0.00%	-
2021				0.00%	-
2022				0.00%	-
2023				0.00%	-

Source: District records

**BERGENFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Borough of Bergenfield	\$ <u>35,494,662</u>
Total Direct Debt	<u>35,494,662</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	27,171,276
Bergen County Utilities Authority - Water Pollution (B)	<u>7,882,625</u>
Total Overlapping Debt	<u>35,053,901</u>
Total Direct and Overlapping Debt	<u>\$ 70,548,563</u>

Source:

(1) Borough's 2022 Annual Debt Statement

(A) The debt for this entity was apportioned to the municipality by dividing the municipality's 2022 equalized value by the total 2022 equalized value for Bergen County.

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

**BERGENFIELD BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Equalized valuation basis

2022	\$	3,777,567,913
2021		3,487,039,511
2020		3,272,949,031
	\$	<u>10,537,556,455</u>

Average equalized valuation of taxable property	\$	<u>3,512,518,818</u>
Debt limit (4% of average equalization value)	\$	140,500,753
Total net debt applicable to limit		-
Legal debt margin	\$	<u>140,500,753</u>

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit (4% of average equalization value)	\$ 106,320,018	\$ 105,325,851	\$ 105,847,667	\$ 108,360,174	\$ 110,377,814	\$ 114,945,740	\$ 120,852,609	\$ 126,763,748	\$ 90,133,181	\$ 140,500,753
Total net debt applicable to limit										
§ Legal debt margin	<u>\$ 106,320,018</u>	<u>\$ 105,325,851</u>	<u>\$ 105,847,667</u>	<u>\$ 108,360,174</u>	<u>\$ 110,377,814</u>	<u>\$ 114,945,740</u>	<u>\$ 120,852,609</u>	<u>\$ 126,763,748</u>	<u>\$ 90,133,181</u>	<u>\$ 140,500,753</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Annual Debt Statements

**BERGENFIELD BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	27,301	\$ 73,883	4.9%
2015	27,340	77,323	4.2%
2016	27,329	78,836	3.9%
2017	27,456	81,024	3.7%
2018	27,387	85,191	3.1%
2019	27,329	88,241	2.7%
2020	27,371	91,972	9.0%
2021	28,206	97,343	5.5%
2022	28,163	97,343 (E)	3.2%
2023	28,163 (E)	97,343 (E)	N/A

Source: New Jersey State Department of Education

(E) - Estimate

N/A - Not Available

BERGENFIELD BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

<u>Employer</u>	<u>2022</u>		<u>2013</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION IS NOT AVAILABLE

BERGENFIELD BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction	329	330	332	346	347	349	350	352	353	371
Support Services:										
Student & instruction related services	65	66	66	73	82	81	82	80	85	73
General administration	4	5	6	7	7	3	3	5	5	6
School administrative services	23	24	24	32	32	21	22	27	29	29
Central services	7	6	6	6	6	9	9	8	9	6
Plant operations and maintenance	41	41	40	63	63	41	41	46	48	46
Pupil transportation	17	16	16	17	17	21	21	21	24	38
Other support services										
Total	<u>486</u>	<u>488</u>	<u>490</u>	<u>544</u>	<u>554</u>	<u>525</u>	<u>528</u>	<u>539</u>	<u>553</u>	<u>569</u>

Source: District Personnel Records

**BERGENFIELD BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Teacher/Pupil Ratio

<u>Fiscal Year</u>	<u>Enrollment ^a</u>	<u>Operating Expenditures ^b</u>	<u>Cost Per Pupil ^c</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Elementary</u>	<u>Middle School</u>	<u>Senior High School</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2014	3,633	\$ 60,725,637	\$ 16,715	1.90%	351	1:15	1:13	1:14	3,532	3,358	-1.20%	95.07%
2015	3,518	64,669,822	18,383	9.98%	345	1:15	1:13	1:14	3,475	3,338	-1.61%	96.06%
2016	3,567	65,074,079	18,243	-0.76%	346	1:13	1:14	1:15	3,532	3,411	1.64%	96.57%
2017	3,590	68,523,661	19,087	4.63%	346	1:13	1:12	1:12	3,559	3,403	0.76%	95.62%
2018	3,692	70,785,547	19,173	0.45%	346	1:13	1:12	1:12	3,561	3,408	0.06%	95.70%
2019	3,560	76,175,108	21,398	11.60%	350	1:13	1:12	1:12	3,562	3,404	0.03%	95.56%
2020	3,682	75,973,439	20,634	-3.57%	350	1:13	1:12	1:12	3,761	3,642	5.59%	96.84%
2021	3,647	78,072,780	21,407	3.75%	350	1:11	1:14	1:12	3,647	3,596	-3.03%	98.60%
2022	3,616	85,417,923	23,622	10.35%	341	1:11	1:11	1:11	3,622	3,433	-0.69%	94.78%
2023	3,667	91,949,613	25,075	6.15%	371	1:11	1:11	1:11	3,667	3,469	1.24%	94.60%

Sources: District records

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

**BERGENFIELD BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
(Unaudited)**

INFORMATION IS NOT AVAILABLE

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
School Facilities										
Bergenfield High School	\$ 1,348,560	\$ 1,400,192	\$ 613,716	\$ 738,005	\$ 686,461	\$ 1,030,096	\$ 672,623	\$ 816,955	\$ 984,044	\$ 751,025
Roy W. Brown Middle School	647,693	672,492	294,758	354,453	329,697	494,740	323,051	318,296	392,220	501,974
Franklin Elementary School	323,845	336,244	147,378	177,226	164,847	247,368	161,525	237,717	152,477	222,888
Hoover Elementary School	127,056	131,920	57,821	69,532	64,675	97,051	63,372	62,417	93,222	129,141
Jefferson Elementary School	178,004	184,820	81,008	97,414	90,610	135,969	88,783	70,728	77,345	154,646
Lincoln Elementary School	355,677	369,295	161,865	194,646	181,051	271,684	177,401	194,032	206,772	211,522
Washington Elementary Sch.	203,489	211,281	92,606	111,361	103,583	155,435	101,494	229,486	99,826	221,210
Grand Total	<u>\$ 3,184,324</u>	<u>\$ 3,306,244</u>	<u>\$ 1,449,152</u>	<u>\$ 1,742,637</u>	<u>\$ 1,620,924</u>	<u>\$ 2,432,343</u>	<u>\$ 1,588,249</u>	<u>\$ 1,929,631</u>	<u>\$ 2,005,906</u>	<u>\$ 2,192,406</u>

Source: District Records

**BERGENFIELD BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2023
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - NESBIG		
Property - Blanket Building & Contents	\$ 138,482,210	\$ 5,000
Comprehensive General Liability	1,000,000	
Commercial Umbrella	9,000,000	
Accident Coverage	1,000,000	
Environmental Impairment	4,000,000	25,000
Commercial Umbrella - Excess	25,000,000	
School Board Legal Liability	1,000,000	
Excess Workers Compensation Employers Liability	1,000,000	
Commercial Auto Liability	1,000,000	10,000
Cyber Liability		
Third Party Liability Coverage	1,000,000	25,000
First Party Coverage	1,000,000	25,000
Data Breach Response and Crisis Management Coverage	1,000,000	25,000
Crime Coverage		
Public Employee Dishonesty		
Per Employee (Primary)		
Per Loss (Excess)	500,000	5,000
Forgery or Alteration Coverage	250,000	5,000
Computer Fraud	250,000	5,000
Funds Transfer Fraud	250,000	5,000
Treasurer of School Monies - Surety Bond	375,000	
Business Administrator/Board Secretary - Surety Bond	350,000	

Source: School District's records

SINGLE AUDIT



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Bergenfield Board of Education
Bergenfield, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund, of the Bergenfield Board of Education as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Bergenfield Board of Education's basic financial statements and have issued our report thereon dated January 18, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

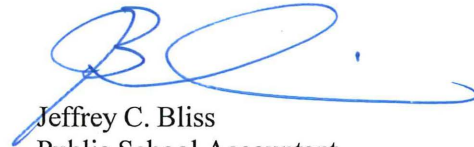
As part of obtaining reasonable assurance about whether the Bergenfield Board of Education’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have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

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 Bergenfield Board of Education’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 Bergenfield Board of Education’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
January 18, 2024



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Bergenfield Board of Education
Bergenfield, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Bergenfield Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Bergenfield Board of Education's major federal and state programs for the fiscal year ended June 30, 2023. The Bergenfield Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Bergenfield Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal and state program is not modified with respect to this matter.

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Bergenfield Board of Education, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 18, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
January 18, 2024

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2022		Carryover/ (Walkover)/ Amount Def. Rev.	Carryover/ (Walkover)/ Amount A/R	Cash Received	Budgetary Expenditures	Funds Released		Balance, June 30, 2023		Memo: GAAP Receivable
					(Account Receivable)	Unearned Revenue					Accounts Receivable	Unearned Revenue	(Account Receivable)	Unearned Revenue	
U.S. Department of Education															
Passed-through State Department of Education															
Enterprise Fund															
School Breakfast Program	10.553	231NJ304N1099	7/1/22-6/30/23	\$ 117,192					\$ 109,107	\$ 117,192			\$ (8,085)		\$ (8,085)
School Breakfast Program		221NJ304N1099	7/1/21-6/30/22	352,108	(25,808)			25,808							-
National School Lunch Program	10.555														-
Cash Assistance		231NJ304N1099	7/1/22-6/30/23	641,374				610,267	641,374				(31,107)		(31,107)
Cash Assistance		221NJ304N1099	7/1/21-6/30/22	1,791,675	(93,271)			93,271							-
Supply Chain Assistance Program		231NJ304N1099	7/1/22-6/30/23	176,195				176,195	176,195						-
Non-Cash Assistance (Food Distribution)		201NJ304N1099	7/1/22-6/30/23	116,713	-	-	-	116,713	116,713						-
Total Child Nutrition Program/Enterprise Fund					(119,079)	-	-	-	1,131,361	1,051,474	-	-	(39,192)	-	(39,192)
U.S. Department of Health and Human Services															
General Fund															
FFCRA/SEMI	93.778	2005NJ5MAP	1/1/21-12/31/21	4,531					4,531	4,531					-
Medicaid Assistance Program	93.778	2005NJ5MAP	7/1/22-6/30/23	82,979					82,979	82,979					-
Medicaid Assistance Program	93.778	2005NJ5MAP	7/1/21-6/30/22	60,319	(15,865)	-	-	15,865							-
Total Medicaid					(15,865)	-	-	103,375	87,510	87,510	-	-	-	-	-
U.S. Department of Homeland Security															
Passed-through State Department of Education															
FEMA - Direct Emergency Response to COVID-19	97.036	N/A	7/1/22-6/30/23	102,642	-	-	-	-	102,642	102,642					-
Total FEMA					-	-	-	-	102,642	102,642	-	-	-	-	-
Total General Fund					(15,865)	-	-	206,017	190,152	190,152	-	-	-	-	-
Special Revenue Fund															
L.D.E.A. Part B, Basic Regular	84.027A	H027A220100	7/1/22-9/30/23	929,700			\$ 27,568	\$ (27,568)	746,399	957,268			(210,869)		(210,869)
L.D.E.A. Part B, Basic Regular	84.027A	H027A210100	7/1/21-9/30/22	904,711	(275,810)	27,568	(27,568)	27,568	248,242						-
ARP IDEA - Basic	84.027X	H027X210100	7/1/21-9/30/22	178,278	(149,363)	1,582			149,363	1,582					-
L.D.E.A. Part B, Preschool	84.173A	H173A220114	7/1/22-9/30/23	39,401					31,521	39,401			(7,880)		(7,880)
L.D.E.A. Part B, Preschool	84.173A	H173A210114	7/1/21-9/30/22	35,584	(10,281)				10,281						-
ARP IDEA - Preschool	84.173X	H173X210114	7/1/21-9/30/22	15,167	(6,014)				6,014						-
Total L.D.E.A.					(441,468)	29,150	-	-	1,191,820	998,251	-	-	(218,749)	-	(218,749)
E.S.E.A. Programs															
Title I	84.010	S010A220030	7/1/22-9/30/23	501,791			28,672	(28,672)	356,225	493,303			(174,238)	\$ 37,160	(137,078)
Title I	84.010	S010A210030	7/1/21-9/30/22	425,260	(181,013)	28,672	(28,672)	28,672	152,341						-
Title II, Part A	84.367A	S367A220029	7/1/22-9/30/23	96,934			16,888	(16,888)	58,670	75,440			(55,152)	38,382	(16,770)
Title II, Part A	84.367A	S367A210029	7/1/21-9/30/22	77,703	(40,731)	16,888	(16,888)	16,888	23,843						-
Title III	84.365	S365A220030	7/1/22-9/30/23	40,762			11,503	(11,503)	28,893	42,021			(23,372)	10,244	(13,128)
Title III	84.365	S365A210030	7/1/21-9/30/22	42,150	(17,678)	11,503	(11,503)	11,503	6,175						-
Title III - Immigrant	84.365	S365A210030	7/1/21-9/30/22		(2,456)	86			2,370			86	(86)		-
Title IV	84.424	S424A220031	7/1/22-9/30/23	35,302			6,641	(6,641)	10,947	31,873			(30,996)	10,070	(20,926)
Title IV	84.424	S424A210031	7/1/21-9/30/22	34,436	(26,911)	6,641	(6,641)	6,641	20,270						-
Total E.S.E.A. Programs					(268,789)	63,790	-	-	659,734	642,637	86	(86)	(283,758)	95,856	(187,902)
Perkins Secondary Education Grant															
Perkins Secondary Education Grant	84.048	V048A220030	7/1/22-6/30/23	24,845					17,310	23,166			(7,535)	1,679	(5,856)
Perkins Secondary Education Grant	84.048	V048A210030	7/1/21-6/30/22	20,762	(8,049)	2,078			5,971		2,078	(2,078)			-
Total Perkins Secondary Education Grant					(8,049)	2,078	-	-	23,281	23,166	2,078	(2,078)	(7,535)	1,679	(5,856)

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2022		Carryover/ (Walkover)/ Amount Def. Rev.	Carryover/ (Walkover)/ Amount A/R	Cash Received	Budgetary Expenditures	Funds Released		Balance, June 30, 2023		Memo: GAAP Receivable
					(Account Receivable)	Unearned Revenue					Accounts Receivable	Unearned Revenue	(Account Receivable)	Unearned Revenue	
Additional or Compensatory Special Education and Related Services	21.027	SLFRFDOE1SES	7/1/22-6/30/23	\$ 272,577					\$ 272,577			\$ (272,577)		\$ (272,577)	
Additional or Compensatory Special Education and Related Services	21.027	SLFRFDOE1SES	7/1/21-6/30/22	249,595	\$ (249,595)	-	-	-	\$ 249,595	-	-	-	-	-	-
Total ACSERS					(249,595)	-	-	-	249,595	272,577	-	-	(272,577)	-	(272,577)
Coronavirus Response and Relief Supplem. Approp. - ESSER II	84.425D	S425D210027	3/13/20-9/30/23	1,546,349	(1,546,349)	\$ 1,546,349			688,441	1,446,349			(857,908)	\$ 100,000	(757,908)
Coronavirus Response and Relief Supplem. Approp. - Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	99,237	(29,992)	28,218			22,008	24,333			(7,984)	3,885	(4,099)
Coronavirus Response and Relief Supplem. Approp. - Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(2,960)	2,160			800	1,532			(2,160)	628	(1,532)
American Rescue Plan (ARP) - ESSER III	84.425U	S425U210027	3/13/20-9/30/24	3,475,320	(3,475,320)	2,881,756			656,346	2,495,835			(2,818,974)	385,921	(2,433,053)
American Rescue Plan (ARP) - Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	346,638	(346,638)	346,638			103,418	160,227			(243,220)	186,411	(56,809)
American Rescue Plan (ARP) - Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	38,860			31,900	30,760			(8,100)	8,100	-
American Rescue Plan (ARP) - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000			10,860	10,860			(29,140)	29,140	-
American Rescue Plan (ARP) - NITSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(45,000)	45,000			26,382	25,376			(18,618)	19,624	-
American Rescue Plan (ARP) - Homeless Children and Youth (HCY)	84.425W	S425W210031	4/13/21-9/30/23	16,163	(16,163)	16,163			8,314	10,096			(7,849)	6,067	(1,782)
Total Elementary and Secondary School Emergency Relief Fund Cluster (ESSER)					(5,542,422)	4,945,144	-	-	1,548,469	4,205,368	-	-	(3,993,953)	739,776	(3,255,183)
Total Special Revenue Fund					(6,510,323)	5,040,162	-	-	3,672,899	6,141,999	2,164	(2,164)	(4,776,572)	837,311	(3,940,267)
Total Federal Awards				\$ (6,645,267)	\$ 5,040,162	\$ -	\$ -	\$ 5,010,277	\$ 7,383,625	\$ 2,164	\$ (2,164)	\$ (4,815,764)	\$ 837,311	\$ (3,979,459)	

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022	Carryover	Cash Received	Budgetary Expenditures	Transfers/ Adjustments	Balance, June 30, 2023		Memo:	
									(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures
State Department of Education												
General Fund												
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$ 15,870,414			\$ 14,360,578	\$ 15,870,414		\$ (1,509,836)		\$	15,870,414
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	13,068,727	\$ (1,256,796)		1,256,796						-
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	2,104,440			1,904,234	2,104,440		(200,206)			2,104,440
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	2,104,440	(202,380)		202,380						-
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	374,729			339,079	374,729		(35,650)			374,729
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	374,729	(36,037)		36,037						-
School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	231,363			209,352	231,363		(22,011)			231,363
School Choice Aid	22-495-034-5120-068	7/1/21-6/30/22	235,277	(22,626)	-	22,626	-	-	-	-	-	-
Total State Aid Public Cluster				(1,517,839)	-	18,331,082	18,580,946	-	(1,767,703)	-	-	18,580,946
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	578,477			523,443	578,477		(55,034)			578,477
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	578,477	(55,631)		55,631						-
Extraordinary Aid	23-495-034-5120-473	7/1/22-6/30/23	2,479,749				2,479,749		(2,479,749)			2,479,749
Extraordinary Aid	22-495-034-5120-473	7/1/21-6/30/22	2,086,009	(2,086,009)		2,086,009						-
Lead Testing for Schools Aid	23-495-034-5120-104	7/1/22-6/30/23	4,079			4,079	4,079					4,079
On Behalf Payments												
TPAF Social Security	23-495-034-5095-003	7/1/22-6/30/23	2,151,317			2,045,926	2,151,317		(105,391)		\$	(105,391)
TPAF Social Security	22-495-034-5095-003	7/1/21-6/30/22	2,102,271	(103,406)		103,406						-
TPAF On-Behalf Contributions												
Pension Benefit Contribution	23-495-034-5094-002	7/1/22-6/30/23	9,939,062			9,939,062	9,939,062					9,939,062
Pension-NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	137,893			137,893	137,893					137,893
LTDI Premium	23-495-034-5094-004	7/1/22-6/30/23	2,798			2,798	2,798					2,798
Post Retirement Medical Benefit Contribution	23-495-034-5094-001	7/1/22-6/30/23	2,647,192			2,647,192	2,647,192					2,647,192
Total Transportation Aid, Extraordinary Aid, and On-Behalf				(2,245,046)	-	17,545,439	17,940,567	-	(2,640,174)	-	(105,391)	17,940,567
Securing Our Children's Future Bond Act - Water Infrastructure Grant	21E00215	3/16/21-3/31/23	53,132	(53,132)	-	53,132	-	-	-	-	-	-
Total Water Infrastructure Grant				(53,132)	-	53,132	-	-	-	-	-	-
Total General Fund				(3,816,017)	-	35,929,653	36,521,513	-	(4,407,877)	-	(105,391)	36,521,513
Special Revenue Fund												
Preschool Education Aid	23-495-034-5120-086	7/1/22-6/30/23	1,135,485	\$ 134,909		1,021,937	1,178,043	\$ 174,690	(113,548)	\$ 267,041		1,178,043
Preschool Education Aid	22-495-034-5120-086	7/1/21-6/30/22	896,527	45,256	(134,909)	89,653	-	-	-	-	-	-
Total Preschool Education Aid				45,256	-	1,111,590	1,178,043	174,690	(113,548)	267,041	-	1,178,043
Schools Development Authority												
Emergent and Capital Maintenance Needs	N/A	7/1/22-6/30/23	89,917			89,917	89,917		-	-		89,917
Emergent and Capital Maintenance Needs	N/A	7/1/21-6/30/22	85,270	85,270	-	-	85,270		-	-		85,270
Total SDA				85,270	-	89,917	175,187	-	-	-		175,187
New Jersey Nonpublic Aid												
Teacher STEM Grant	22-100-034-5068-051	7/1/21-6/30/22	7,220	(3,680)	-	3,680	-	-	-	-		-
Total Nonpublic Teacher STEM Grant				(3,680)	-	3,680	-	-	-	-		-
Climate Change Awareness Grant	23E00129	4/1/23-6/30/23	6,660			6,534	6,534		-	-		6,534
NJ Achievement Coaches	N/A	2/1/15-12/31/15	70,000	2						2		-
IMPACT Grant	N/A	7/1/11-6/30/12	35,404	1,548	-	-	-	-	-	1,548		-
Total Special Revenue Fund				128,396	-	1,211,721	1,359,764	174,690	(113,548)	268,591	-	1,359,764

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022	Carryover	Cash Received	Budgetary Expenditures	Transfers/ Adjustments	Balance, June 30, 2023		Memo:	
									(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures
State Department of Agriculture												
Food Service Fund												
National School Lunch Program												
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	\$ 29,389			\$ 28,024	\$ 29,389		\$ (1,365)		\$ (1,365)	\$ 29,389
State School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	42,201	\$ (2,147)		2,147					-	-
State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	6,200	-	-	5,778	6,200	-	(422)	-	(422)	6,200
Total Food Service Fund				(2,147)	-	35,949	35,589	-	(1,787)	-	(1,787)	35,589
Total State Financial Assistance Subject to Single Audit Determination				(3,689,768)	-	37,177,323	37,916,866	\$ 174,690	(4,523,212)	\$ 268,591	(107,178)	38,539,335
State Financial Assistance Not Subject to Single Audit Determination												
General Fund												
On-Behalf TPAF Pension Benefit Contributions	23-495-034-5094-002	7/1/22-6/30/23	9,939,062			(9,939,062)	(9,939,062)					(9,939,062)
On-Behalf TPAF Pension Contributions-NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	137,893			(137,893)	(137,893)					(137,893)
On-Behalf TPAF Contributions-LTDI Premium	23-495-034-5094-004	7/1/22-6/30/23	2,798			(2,798)	(2,798)					(2,798)
On-Behalf TPAF Post-Retirement Medical Contribution	23-495-034-5094-001	7/1/22-6/30/23	2,647,192	-	-	(2,647,192)	(2,647,192)	-	-	-	-	(2,647,192)
Total State Financial Assistance Subject to Single Audit				\$ (3,689,768)	\$ -	\$ 24,450,378	\$ 25,189,921	\$ 174,690	\$ (4,523,212)	\$ 268,591	\$ (107,178)	\$ 25,812,390

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 REPORTING ENTITY

The Bergenfield Board of Education (the “Board” or the “District”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board’s Financial Statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Board. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the Board’s financial statements, respectively. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The Board’s summary of significant accounting policies are described in Note 1 to the Board’s financial statements.

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$643,007 for the general fund and a decrease of \$2,013,628 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 190,152	\$ 35,878,506	\$ 36,068,658
Special Revenue Fund	4,128,371	1,185,074	5,313,445
Food Service Fund	<u>1,051,474</u>	<u>35,589</u>	<u>1,087,063</u>
Total Financial Assistance	<u>\$ 5,369,997</u>	<u>\$ 37,099,169</u>	<u>\$ 42,469,166</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,151,317 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2023. The amount reported as TPAF Pension System Contributions in the amount of \$10,076,955, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,647,192 and TPAF Long-Term Disability Insurance in the amount of \$2,798 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

NOTE 7 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

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

Identification of major federal programs:

<u>AL Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>Coronavirus Response and Relief Supplemental Act (CRRSA - ESSER II Cluster)</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>American Rescue Plan - Elementary and Secondary Schools - Emergency Relief Fund (ARP-ESSER III Cluster)</u>
<u>21.027</u>	<u>SLFRFDOE1SES</u>	<u>Additional or Compensatory Special Education and Related Services (ACSERS)</u>

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

Auditee qualified as low-risk auditee? X yes no

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over major programs:

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

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

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

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

Identification of major state programs:

<u>GMIS Number(s):</u>	<u>Name of State Program:</u>
<u>23-495-034-5120-078</u>	<u>Equalization Aid - State Aid-Public Cluster</u>
<u>23-495-034-5120-089</u>	<u>Special Education Aid - State Aid-Public Cluster</u>
<u>23-495-034-5120-084</u>	<u>Security Aid - State Aid-Public Cluster</u>
<u>23-495-034-5120-068</u>	<u>School Choice Aid - State Aid-Public Cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$ 755,698

Auditee qualified as low-risk auditee? X yes _____ no

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

CURRENT YEAR FEDERAL AWARDS

Finding 2023-001

Our audit of salaries charged to the ESSER grant programs revealed time and effort activity reports were not completed for certain employees whose salaries were charged to the grant programs.

Federal Program Information

ESSER Program Cluster 84.425D/84.425U

Criteria or Specific Requirement

Federal Grant Compliance Supplement – Allowable Costs/Cost Principles

Condition

Time and effort reports were not completed for individuals charged to the program.

Questioned Costs

Undeterminable.

Context

Total salaries charged to the ESSER programs were \$264,639 for 2022/2023. We noted the time and effort reports were not completed for any individuals tested whose salaries were charged to the program.

Effect

Personnel charged to Federal grants may not be allowable grant charges.

Cause

Unknown.

Recommendation

All employees charged to federally funded grant programs be included on the time and effort activity reports and certified semi-annually as required.

Views of Responsible Officials and Planned Corrective Action Plan

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

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

CURRENT YEAR STATE AWARDS

There are none.

**BERGENFIELD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

STATUS OF PRIOR YEAR FINDINGS

There were none.