

**SCHOOL DISTRICT OF THE  
BOROUGH OF CLIFFSIDE PARK  
COUNTY OF BERGEN, NEW JERSEY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

**School District  
of**

# **BOROUGH OF CLIFFSIDE PARK**

**BOROUGH OF CLIFFSIDE PARK BOARD OF EDUCATION  
Cliffside Park, New Jersey**

**Annual Comprehensive Financial Report  
Year Ended June 30, 2023**

# Annual Comprehensive Financial Report

of the

**BOROUGH OF CLIFFSIDE PARK  
BOARD OF EDUCATION  
Cliffside Park, New Jersey**

**Year Ended June 30, 2023**

**Prepared by**

**Louis Alfano  
Business Administrator/Board Secretary**

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## **INTRODUCTORY SECTION**



# *CLIFFSIDE PARK PUBLIC SCHOOLS*

*THE MUNICIPAL COMPLEX*

*525 PALISADE AVENUE*

*CLIFFSIDE PARK, NEW JERSEY 07010*

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*Louis Alfano*  
*Business Administrator/Board Secretary*

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*E-MAIL: lalfano@cliffsidepark.edu*

November 15, 2023

Honorable President and Members of the  
Cliffside Park Board of Education  
525 Palisade Avenue  
Cliffside Park, New Jersey 07010

Dear Board Members,

State Department of Education statutes require that all school districts prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Cliffside Park Board of Education for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the Cliffside Park Board of Education. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Cliffside Park Board of Education has established a comprehensive internal control framework that is designed both to protect the school district's assets from loss, theft, or misuse and to compile sufficient reliable information for preparation of the Cliffside Park Board of Education's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Cliffside Park Board of Education's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Cliffside Park Board of Education's financial statements have been audited by Wielkotz and Company, LLC, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance the financial statements Cliffside Park Board of Education for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Cliffside Park Board of Education was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Cliffside Park Board of Education’s ACFR.

GAAP 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 compliment the MD&A and should be read in conjunction with it. The Cliffside Park Board of Education’s MD&A can be found immediately following the independent auditors’ report.

**REPORTING ENTITY AND ITS SERVICES:** The Cliffside Park School District is an independent reporting entity within the criteria adopted by Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Cliffside Park 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 level PK through 12. These include regular, vocational as well as special education for disabled youngsters. The District completed the 2022/2023 fiscal year with 3,071 students, which is 77 students more than the previous year’s enrollment. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Percent Change</u>
2009-2010	2,760	4.2
2010-2011	2,740	(2.0)
2011-2012	2,779	1.4
2012-2013	2,839	2.1
<b>2013-2014</b>	<b>2,901</b>	<b>2.1</b>
<b>2014-2015</b>	<b>2,968</b>	<b>2.2</b>
<b>2015-2016</b>	<b>3,000</b>	<b>1.1</b>
<b>2016-2017</b>	<b>3,074</b>	<b>2.5</b>
<b>2017-2018</b>	<b>3,164</b>	<b>2.9</b>
<b>2018-2019</b>	<b>3,154</b>	<b>(.03)</b>
<b>2019-2020</b>	<b>3,203</b>	<b>1.5</b>
<b>2020-2021</b>	<b>3,107</b>	<b>(3.0)</b>
<b>2021-2022</b>	<b>2,994</b>	<b>(3.7)</b>
<b>2022-2023</b>	<b>3,071</b>	<b>2.5</b>

**ECONOMIC CONDITION AND OUTLOOK:** The local economy of the Cliffside Park area is relatively stable and is expected to continue at that level. The Borough's economy is mainly comprised of retail stores and light industry. The present structure is expected to remain unchanged in the future.

**MAJOR INITIATIVES:** The Cliffside Park Board of Education recognizes its responsibility to provide a broad educational program consistent with the mental and physical potential of every child in our community. The Board believes that each individual should be accepted into our educational program as he/she is and be provided with a stimulating environment and opportunities for learning experiences designed to promote behavioral changes that will affect satisfactory adjustments to life. In addition to meeting the special needs of our students the high school offers preparation for entrance to college, technical and sub-professional schools. The high school also offers college courses that focus on the sciences, mathematics, foreign languages and social studies. Many accelerated and advanced placement courses are also available in all subject areas.

Cliffside Park is accredited by the New Jersey Department of Education. Our students consistently test above the state and national averages and have been accepted into colleges throughout the United States.

A full range of educational support services are available to all students i.e. guidance services, health services in each school, certified nurses, full Child Study Team, in addition to a PK through 12 ELL program.

The Superintendent has received and initiated, with the Board's approval, the following programs:

**EARLY CHILDHOOD:** Will continue with full-day Pre K handicap programs as well as half-day programs for regular education students.

**MATH CURRICULUM:** The Cliffside Park School District uses the Envision Math Mathematics 2.0 series which parallels the Nj Content Standards. This series emphasizes open-ended questions and critical thinking problems that are key components to state assessments.

**READING CURRICULUM:** The Cliffside Park School District uses the Pearson Reading series which parallels the NJ Content Standards with emphasis on writing and literacy. This series enables teachers to meet individual needs of all students at all levels. The District continues to utilize a balanced literacy curriculum.

**GIFTED AND TALENTED:** A Gifted and Talented program is available in the Cliffside Park Schools with an emphasis on computer technology. The program begins on a pull-out basis in grades three through eight and is completed at the high school level (grades 9-12) in our advanced placement and other accelerated offerings.

**TESTING:** NJSLA Testing (grades three through eleven) is required under NCLB. Other standardized tests given within the District include NJPass, Boehm Test, and the Otis Lennon Ability Test.

**PROFESSIONAL DEVELOPMENT:** The District's teaching staffs are currently undertaking professional development in reading and writing literacy, technology, teacher evaluations, substance abuse program, violence/vandalism prevention, Conquer Math, and affirmative action guidelines.

**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.

**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 budgets are adopted for the General, Special Revenue and Debt Service Funds. The final budget amounts as amended for the fiscal year are reflected in the financial section.

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

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 a re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as a reservation of fund balance at June 30.

**PROPRIETARY FUND:** The Enterprise Food Service fund provides for the operation of food services in all schools within the school district, including full service breakfast and lunch programs.

**FIDUCIARY FUNDS:** Fiduciary Funds consist of assets held by the district as agent for student organizations, private organizations, other governments and other funds.

**DEBT ADMINISTRATION:** On July 15, 1999 the District issued \$5,400,000 of bonds to finance a capital improvement referendum approved by the District's voters on December 8, 1998 which were refunded on July 15, 2006. At June 30, 2023 \$0 of the school bonds were outstanding.

**CASH MANAGEMENT:** The investment policy of the District is guided in large part by the state statute as detailed in the "Notes to the Basic Financial Statements", the District has adopted has 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 required governmental units to deposit public funds only in public depositories located in New Jersey where the funds are secured in accordance with the Act.

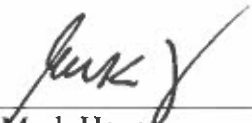
**RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents

and fidelity bonds. The District provides its employee full medical insurance through traditional health insurance plan.

**OTHER INFORMATION:** A. Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wielkottz and Company, LLC, 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 [Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(Uniform Guidance\)](#) and [New Jersey States Office of Management and Budget Circular 15-08](#). The auditors’ report on the basic financial statements is included in the financial section of this report. The auditors’ report related specifically to the Single Audit is included in the Single Audit Section of this report.

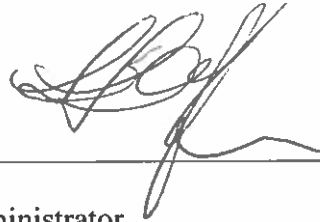
**ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Cliffside Park Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school District and thereby contributing their full support to the development and maintenance 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,



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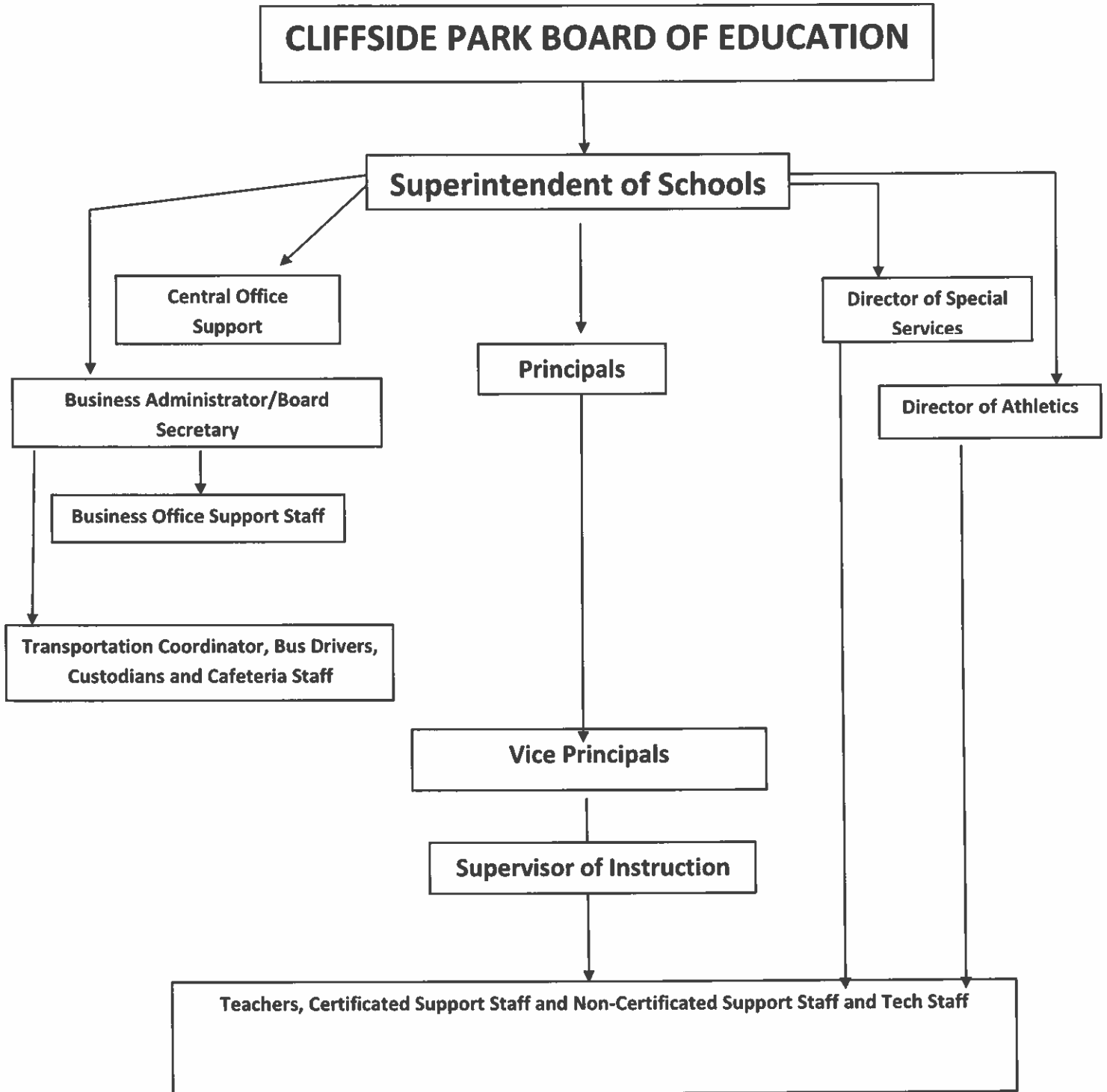
Dr. Mark Hayes  
Interim Superintendent of Schools



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Louis Alfano  
Business Administrator  
Board Secretary

# ORGANIZATIONAL CHART



**CLIFFSIDE PARK BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**JUNE 30, 2023**

**Members of the Board of Education**

**Term Expires**

Michael Russo - President	2024
Dr. Letizia Pantoliano - Vice President	2025
Judith Abreu	2026
Lisa Frato	2025
Marcos Garciga	2024
Joseph Capano	2024
Teddy F. Tarabokija	2026
James Shelley	2023
Kleidon Ndreu	2025

**Other Officials**

Michael J. Romangnino, Superintendent of Schools

Louis Alfano, Business Administrator/Board Secretary

Frank Berardo, Treasurer of School Moneys

Bryan Yannuzzi, Fairview Representative

Fogarty & Hara, Board Attorney

**CLIFFSIDE PARK BOARD OF EDUCATION**

**CONSULTANTS & ADVISORS**

**June 30, 2023**

**Attorney**

FOGARTY & HARA  
21-00 Route 208 South  
Fair Lawn, NJ 07410

**District Auditor**

STEVEN D. WIELKOTZ, C.P.A.  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442

**Official Depositories**

TD BANK NORTH  
354 Palisade Avenue  
Cliffside Park, NJ 07010



**FINANCIAL SECTION**



# WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA  
MATTHEW B. WIELKOTZ, CPA, PSA  
PAUL J. CUVA, CPA, RMA, PSA  
JAMES J. CERULLO, CPA, RMA, PSA  
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## INDEPENDENT AUDITOR'S REPORT

Honorable President and  
Members of the Board of Education  
Cliffside Park School District  
County of Bergen, New Jersey

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

#### ***Opinion***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Borough of Cliffside Park Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cliffside Park Board of Education and to meet our other ethical responsibilities, in accordance



Honorable President and  
Members of the Board of Education  
Page 2.

with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes 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 Cliffside Park Board of Education's ability to continue as a going concern for the next twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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



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

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

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have



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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Cliffside Park Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the 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 the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, 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 the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



Honorable President and  
Members of the Board of Education  
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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2023 on our consideration of the Borough of Cliffside Park 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 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 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 Cliffside Park Board of Education's internal control over financial reporting and compliance.

*Steven D. Wielkocz*

Steven D. Wielkocz, C.P.A.  
Licensed Public School Accountant  
No. 816

*Wielkocz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

November 15, 2023



**REQUIRED SUPPLEMENTARY  
INFORMATION - PART I**

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The discussion and analysis of the Borough of Cliffside Park Board of Education's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the Districts' financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by the program for the General Fund, Special Revenue Fund, Debt Service Fund and Enterprise Fund.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Cliffside Park Board of Education exceeded its liabilities, and deferred inflows of resources at the close of the fiscal year by \$20,127,676. (Net Position).
- In total, net position increased \$4,243,262. Net position of the governmental activities increased by \$4,418,884 and net position of business-type activities decreased by \$175,622.
- General revenues accounted for \$64,409,966 in revenue or 91 percent of all governmental and business-type activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$6,565,530 or 9 percent of total revenues of \$70,975,496.
- The School District had \$64,661,906 in expenses related to governmental activities; only \$4,712,248 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$64,368,542 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 \$13,743,780.
- The General Fund fund balance at June 30, 2023 was \$13,513,305, an increase of \$347,222 compared to the ending fund balance at June 30, 2022 of \$13,166,083.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$643,145 which represents a decrease of \$1,299,354 compared to the ending unassigned budgetary fund balance at June 30, 2022 of \$1,943,381. The decrease is primarily due to the state decreasing the maximum fund balance a school district may have from 4% of expenditures in 2022 back to a pre-pandemic maximum of 2% of expenditures.



**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

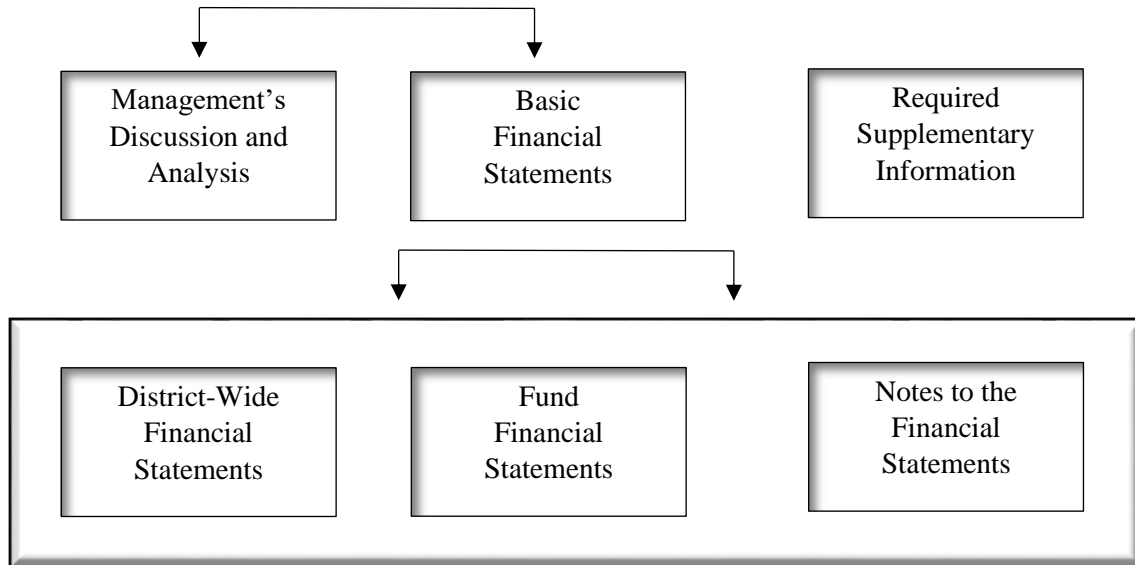
**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District’s operations in more detail than the district-wide statements.
- The district 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 financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)**

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 are detailed below. 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	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as custodial accounts
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 Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/ Deferred Outflows/ Inflows of Resources/ Liability Information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets
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	All additions and dedications during the year, regardless of when cash is received or paid

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole (district-wide statements), and then proceed to provide an increasingly detailed look at specified financial activities.

**District-Wide Financial Statements**

The *statement of net position and statement of activities* reports information about the District as a whole and about its' activities in a manner that helps answer the question, "Is the District better or worse off as a result of the year's activities?" These statements include all assets and liabilities of the District using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

Both of the district-wide financial statements distinguish functions of the Cliffside Park Board of Education that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

In the *Statement of Net Position and the Statement of Activities*, the District is divided into two distinct kinds of activities:

- Governmental Activities – All of the school district's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type Activity – This service is provided on a charge for goods and services basis to recover all the expenses of the goods or services provided. The Food Service Program and the After School Program are reported as business activities.

The two statements report the District's net position and changes in them. The change in net position can be utilized by a reader to assist in determining whether the District's financial health is improving or deteriorating. However, the reader should also consider non-financial factors such as property tax base, current New Jersey laws restricting revenue growth, student enrollment growth, facility conditions, required educational programs and other factors in determining the District's overall financial health.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Bogota Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the district's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

**Governmental Funds**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities* (reported in the Statement of Net Position and the Statement of Activities).

The Cliffside Park Board of Education maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the general, special revenue and debt service funds, which are considered to be major funds.

The Cliffside Park Board of Education adopts annual appropriated budgets for its governmental funds. A budgetary comparison schedule has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Proprietary Funds**

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The Cliffside Park Board of Education uses proprietary funds to account for its' food service program and after school 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.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**DISTRICT-WIDE FINANCIAL ANALYSIS**

The Statement of Net Positions provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

The School District's net position was \$20,127,676 at June 30, 2023 and \$15,884,414 at June 30, 2022. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2023 compared to 2022 (Table 1) and change in net position (Table 2) of the School District.

**Table 1**

**Net Position  
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>						
Current and Other Assets	\$14,550,931	\$14,048,645	\$307,816	\$630,896	\$14,858,747	\$14,679,541
Non-Current Assets:						
Capital Assets (net)	15,299,603	12,032,375	162,363	152,054	15,461,966	12,184,429
Right to Use Leased Assets,						
Net of Amortization	<u>1,672,486</u>	<u>5,632,412</u>	_____	_____	<u>1,672,486</u>	<u>5,632,412</u>
Total Assets	<u>\$31,523,020</u>	<u>\$31,713,432</u>	<u>\$470,179</u>	<u>\$782,950</u>	<u>\$31,993,199</u>	<u>\$32,496,382</u>
<b>Deferred Outflows</b>						
Deferred Outflows of Resources						
Related to PERS	<u>\$1,108,515</u>	<u>\$855,112</u>	_____	_____	<u>\$1,108,515</u>	<u>\$855,112</u>
Total Deferred Outflows	<u>\$1,108,515</u>	<u>\$855,112</u>	<u>\$</u>	<u>\$</u>	<u>\$1,108,515</u>	<u>\$855,112</u>
<b>Liabilities</b>						
Current Liabilities	\$1,492,504	\$1,806,650	\$5,800	\$122,949	\$1,498,304	\$1,929,599
Noncurrent Liabilities	<u>10,108,760</u>	<u>11,550,962</u>	_____	_____	<u>10,108,760</u>	<u>11,550,962</u>
Total Liabilities	<u>\$11,601,264</u>	<u>\$13,357,612</u>	<u>\$5,800</u>	<u>\$122,949</u>	<u>\$11,607,064</u>	<u>\$13,480,561</u>
<b>Deferred Inflow of Resources</b>						
Deferred Inflows of Resources						
Related to PERS	<u>1,386,974</u>	<u>3,986,519</u>	_____	_____	<u>1,386,974</u>	<u>3,986,519</u>
Total Deferred Inflows	<u>\$1,386,974</u>	<u>\$3,986,519</u>	_____	_____	<u>\$1,386,974</u>	<u>\$3,986,519</u>
<b>Net Position</b>						
Invested in Capital Assets	\$16,972,089	\$17,655,728	\$162,363	\$152,054	\$17,134,452	\$17,807,782
Restricted	13,100,635	11,423,811			13,100,635	11,423,811
Unrestricted	<u>(10,429,427)</u>	<u>(13,855,126)</u>	<u>322,016</u>	<u>507,947</u>	<u>(10,107,411)</u>	<u>(13,347,179)</u>
Total Net Position	<u>\$19,643,297</u>	<u>\$15,224,413</u>	<u>\$484,379</u>	<u>\$660,001</u>	<u>\$20,127,676</u>	<u>\$15,884,414</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

Table 2 below shows the changes in net position for fiscal year 2023 compared to 2022.

**Table 2  
Changes in Net Position  
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Revenues</b>						
Program Revenues:						
Charges for Services and						
Sales	\$386,737	\$387,535	\$621,869	\$314,832	\$1,008,606	\$702,367
Operating Grants and						
Contributions	4,325,511	3,259,071	1,231,413	1,902,879	5,556,924	5,161,950
Capital Grants and						
Contributions	2,263,865	667,826			2,263,865	667,826
General Revenues:						
Taxes:						
Property Taxes	37,735,495	36,995,583			37,735,495	36,995,583
Federal and State Aid						
Not Restricted	14,474,704	17,215,569			14,474,704	17,215,569
Tuition Received	8,842,427	8,717,987			8,842,427	8,717,987
Miscellaneous Income	1,096,175	1,217,207			1,096,175	1,217,207
Other Financing Sources/(Uses)	<u>(44,124)</u>	<u>(6,133)</u>	<u>41,424</u>	<u>6,133</u>	<u>(2,700)</u>	<u>0</u>
Total Revenues and Transfers	<u>\$69,080,790</u>	<u>\$68,454,645</u>	<u>\$1,894,706</u>	<u>\$2,223,844</u>	<u>\$70,975,496</u>	<u>\$70,678,489</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Functions/Program Expenses</b>						
Instruction:						
Regular	\$18,139,759	\$17,583,323			\$18,139,759	\$17,583,323
Special Education	8,765,710	8,261,581			8,765,710	8,261,581
Other Special Education	1,282,852	1,208,847			1,282,852	1,208,847
Other Instruction	911,493	723,936			911,493	723,936
Support Services:						
Tuition	3,338,095	2,660,617			3,338,095	2,660,617
Student & Instruction Related Services	7,512,393	6,540,382			7,512,393	6,540,382
General Administrative Services	1,245,647	1,256,010			1,245,647	1,256,010
School Administrative Services	2,193,783	2,162,941			2,193,783	2,162,941
Central Services and Admin. Info. Tech.	1,199,057	1,198,158			1,199,057	1,198,158
Plant Operations and Maintenance	3,155,539	2,871,226			3,155,539	2,871,226
Pupil Transportation	2,629,370	2,081,975			2,629,370	2,081,975
Unallocated Benefits	12,133,877	14,354,825			12,133,877	14,354,825
Food Service			1,879,738	1,893,226	1,879,738	1,893,226
After School Program			190,590	132,233	190,590	132,233
Charter Schools	45,358	52,670			45,358	52,670
Interest on Long-Term Debt	94,438				94,438	0
Unallocated Depreciation	1,688,926	499,797			1,688,926	499,797
Capital Outlay - Nondepreciable	<u>325,609</u>	<u>801,615</u>			<u>325,609</u>	<u>801,615</u>
Total Expenses and Transfers	<u>64,661,906</u>	<u>62,257,903</u>	<u>2,070,328</u>	<u>2,025,459</u>	<u>66,732,234</u>	<u>64,283,362</u>
Increase or (Decrease) in Net Position	<u>\$4,418,884</u>	<u>\$6,196,742</u>	<u>(\$175,622)</u>	<u>\$198,385</u>	<u>\$4,243,262</u>	<u>\$6,395,127</u>



**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

Governmental and Business -Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$66,732,234. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$37,735,495 because some of the cost was paid by those who benefitted from the programs \$1,008,606, by other governments and organizations who subsidized certain programs with grants and contributions \$5,556,924, unrestricted federal and state aid \$14,474,704, federal, state and local aid capital outlay \$2,263,865, tuition received \$8,842,427, and by miscellaneous sources \$1,096,175.

The following schedules present a summary of governmental fund revenues and expenditures for the fiscal year ended June 30, 2023, and the amount and percentage of increases/(decreases) relative to the prior year.

**Schedule of Change in Governmental Fund Revenue and Expenditures**

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$48,089,575	64.7%	\$763,543	1.61%	47,326,032
State Source	19,847,531	26.7%	394,683	2.03%	19,452,848
Federal Source	<u>6,422,877</u>	<u>8.6%</u>	<u>2,662,515</u>	70.80%	<u>3,760,362</u>
Total	<u>\$74,359,983</u>	<u>100%</u>	<u>\$3,820,741</u>	5.42%	<u>\$70,539,242</u>
<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures:					
Instruction	\$27,445,195	37.1%	\$719,023	2.69%	26,726,172
Undistributed	41,735,447	56.5%	3,700,747	9.73%	38,034,700
Debt Service	605,736	0.8%	605,736	100.00%	
Capital Outlay	<u>4,152,893</u>	<u>5.6%</u>	<u>1,905,695</u>	84.80%	<u>2,247,198</u>
Total	<u>\$73,939,271</u>	<u>100.0%</u>	<u>\$6,931,201</u>	10.34%	<u>\$67,008,070</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS**

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2023, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- During the fiscal year ended June 30, 2023, the School District amended the special revenue fund by \$5,737,943 for increases in local and federal, and decreases in state grants.

**General Fund**

The general fund actual revenue was \$67,352,290. That amount is \$12,622,011 above the final amended budget of \$54,730,279. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$12,705,177 for TPAF pension and social security reimbursements, an excess in other state and federal aid of \$154,232 and \$237,398 deficit in miscellaneous anticipated revenues.

The actual expenditures of the general fund were \$67,036,648 including transfers which is \$6,242,424 above the final amended budget of \$60,794,224. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of \$12,705,177 for TPAF pension and social security reimbursements, and \$6,462,753 of unexpended budgeted funds.

General fund had total revenues and other financing sources of \$67,352,290 and total expenditures of \$67,036,648 and an ending fund balance of \$14,049,637 on the budgetary basis of accounting.

**Special Revenue Fund**

The special revenue fund actual revenue was \$6,706,653. That amount is \$1,275,612 below the final amended budget of \$7,982,265. The variance between the actual revenues and the final budget was state and federal grant revenue that was anticipated to be spent by fiscal year end and the inclusion of student activity funds. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were \$6,677,287, which is \$1,304,978 below the final amended budget of \$7,982,265. The variance between the actual expenditures and the final budget was due to the anticipation of fully expending state and federal grant programs and the inclusion of student activity accounts. Expenditures will be incurred in the next fiscal year.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2023 the School District had \$35,823,807 invested in sites, buildings, equipment, construction in progress and right to use leased assets. Of this amount \$18,689,355 in depreciation/amortization has been taken over the years. We currently have a net book value of \$17,134,452. Total additions for the year were \$4,337,785, the majority of which was for various technology and office equipment, transportation equipment, food service equipment and improvements to the District's facilities. Table 3 shows fiscal year 2023 balances compared to 2022.

**Table 3  
Capital Assets at June 30,  
(Net of Depreciation/Amortization)**

	<u>Governmental Activities</u>		<u>BusinessType Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$188,668	\$188,668			\$188,668	\$188,668
Construction in Progress	840,902	1,171,399			840,902	
Buildings and Improvements	10,814,757	8,725,757			10,814,757	8,725,757
Furniture, Equipment and Vehicles	946,268	829,280	162,363	152,054	1,108,631	981,334
Land Improvements	2,509,008	1,117,271			2,509,008	1,117,271
Right to Use Leased Assets	<u>1,672,486</u>	<u>2,652,224</u>	<u>_____</u>	<u>_____</u>	<u>1,672,486</u>	<u>2,652,224</u>
	<u>\$16,972,089</u>	<u>\$14,684,599</u>	<u>\$162,363</u>	<u>\$304,108</u>	<u>\$17,134,452</u>	<u>\$13,665,254</u>

For more detailed information, please refer to the Notes to Basic Financial Statements.

**Debt Administration**

At June 30, 2023, the District had \$10,108,760 of outstanding debt. Of this amount, \$709,047 is for compensated absences; \$2,134,144 represents the lease liability for the rental of modulars; and \$7,2365,569 is for net pension liability.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The district continues to rely predominately upon local property taxes as its main source of funding. Therefore, in consideration of current economic conditions and the anticipation of continued flat state aid support, the Board of Education has sought to control budget expenses to minimize the impact on the local tax levy.

The following factors were considered in preparing the 2023-2024 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues

Prior to the end of fiscal year 2004, S1701 was enacted. This law is meant to control public school district budgets by revising the calculation of budget caps and reducing surplus. Starting in 2005-06 the CAP will be set at 2.5% or cost of living, whichever is greater. A number of other changes will affect the calculation of SGLA's and per pupil administrative costs. Any undesignated general fund fund balance in excess of 2% or \$250,000, which is greater, must be appropriated for tax relief.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Borough of Cliffside Park School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Louis Alfano  
School Business Administrator  
Borough of Cliffside Park School District  
525 Palisade Avenue  
Cliffside Park, NJ 07010

# **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Net Position**  
**June 30, 2023**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	4,416,625	393,559	4,810,184
Receivables, net	2,300,379	69,645	2,370,024
Internal balances	164,162	(164,162)	-
Inventory		28,774	28,774
Restricted assets:			
Capital reserve account - cash	6,859,348		6,859,348
Unemployment compensation account - cash	349,603		349,603
Payroll deductions and withholdings account - cash	226,839		226,839
Net payroll account - cash	3,500		3,500
Student activity accounts - cash	230,475		230,475
Capital assets:			
Land and construction in progress	1,029,570		1,029,570
Other capital assets, net	14,270,033	162,363	14,432,396
Right to use leased assets, net of amortization	1,672,486		1,672,486
Total Assets	<u>31,523,020</u>	<u>490,179</u>	<u>32,013,199</u>
Deferred Outflow of Resources:			
Deferred Outflows of Resources Related to PERS	1,108,515		1,108,515
Total Deferred Outflows	<u>1,108,515</u>	<u>-</u>	<u>1,108,515</u>
	<u>32,631,535</u>	<u>490,179</u>	<u>33,121,714</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	1,150,780	5,800	1,156,580
Payable to federal government	16		16
Payable to state government	87		87
Unearned revenue	96,148	-	96,148
Payroll deductions and withholdings payable	230,339		230,339
Unemployment compensation claims payable	15,134		15,134
Noncurrent liabilities:			
Due within one year	530,017		530,017
Due beyond one year	9,578,743		9,578,743
Total liabilities	<u>11,601,264</u>	<u>5,800</u>	<u>11,607,064</u>
Deferred Inflow of Resources:			
Deferred Inflows of Resources Related to PERS	1,386,974		1,386,974
Total Deferred Inflows	<u>1,386,974</u>	<u>-</u>	<u>1,386,974</u>
	<u>12,988,238</u>	<u>5,800</u>	<u>12,994,038</u>
<b>NET POSITION</b>			
Invested in capital assets	16,972,089	162,363	17,134,452
Restricted for:			
Special Revenue	230,475		230,475
Other purposes	12,870,160		12,870,160
Unrestricted (Deficit)	(10,429,427)	322,016	(10,107,411)
Total net position	<u>19,643,297</u>	<u>484,379</u>	<u>20,127,676</u>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
Statement of Activities  
Fiscal Year Ended June 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	16,987,809	1,151,950			(18,139,759)		(18,139,759)
Special education	8,395,025	370,685		3,329,145	(5,436,565)		(5,436,565)
Other special instruction	1,195,553	87,299			(1,282,852)		(1,282,852)
Other instruction	870,022	41,471			(911,493)		(911,493)
Support services:							
Tuition	3,338,095				(3,338,095)		(3,338,095)
Health Services	458,974	32,669			(491,643)		(491,643)
Student & instruction related services	6,790,731	230,019	386,737 *	996,366	(5,637,647)		(5,637,647)
General administrative services	1,219,893	25,754			(1,245,647)		(1,245,647)
School administrative services	2,046,828	146,955			(2,193,783)		(2,193,783)
Central services and administrative information technology	1,136,624	62,433			(1,199,057)		(1,199,057)
Plant operations and maintenance	3,046,284	109,255			(3,155,539)		(3,155,539)
Pupil transportation	2,509,992	119,378			(2,629,370)		(2,629,370)
Unallocated benefits	12,133,877				(12,133,877)		(12,133,877)
Charter Schools	45,358				(45,358)		(45,358)
Capital outlay - non-depreciable	325,609				(325,609)		(325,609)
Interest on long-term debt	94,438				(94,438)		(94,438)
Unallocated depreciation/amortization	1,688,926				(1,688,926)		(1,688,926)
Total governmental activities	62,284,038	2,377,868	386,737	4,325,511	(59,949,658)	-	(59,949,658)
Business-type activities:							
Food Service	1,879,738		465,030	1,231,413		(183,295)	(183,295)
After School Program	190,590		1,56,839			(33,751)	(33,751)
Total business-type activities	2,070,328		621,869	1,231,413		(217,046)	(217,046)
Total primary government	64,354,366		1,008,606	5,556,924	(59,949,658)	(217,046)	(60,166,704)
General revenues:							
Taxes:							
Levied for general purposes					37,735,495		37,735,495
Federal and State aid not restricted					14,474,704		14,474,704
Federal and State aid - Capital Outlay					2,235,124		2,235,124
Local aid - Capital Outlay					28,741		28,741
Tuition received					8,842,427		8,842,427
Transportation fees from other LEA's					761,765		761,765
Miscellaneous income					334,410		334,410
Other Financing Sources/(Uses)					(44,124)	41,424	(2,700)
Total general revenues, special items, extraordinary items and transfers					64,368,542	41,424	64,409,966
Change in Net Position					4,418,884	(175,622)	4,243,262
Net Position—beginning					15,224,413	660,001	15,884,414
Net Position—ending					19,643,297	484,379	20,127,676

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

\* Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"



**FUND FINANCIAL STATEMENTS**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents			
Checking	4,416,625		4,416,625
Accounts Receivable -			
Interfunds	666,150		666,150
Intergovernmental - State	1,008,930	21,861	1,030,791
Intergovernmental - Federal		538,098	538,098
Intergovernmental - Other	731,490		731,490
Restricted cash and cash equivalents			
Capital reserve	6,859,348		6,859,348
Unemployment compensation	349,603 *		349,603
Payroll withholdings and deductions	226,839 *		226,839
Net payroll	3,500 *		3,500
Student Activities		230,475 *	230,475
Total assets	<u>14,262,485</u>	<u>790,434</u>	<u>15,052,919</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	414,329	51,098	465,427
Intergovernmental accounts payable - State		87	87
Intergovernmental accounts payable - Federal		16	16
Payroll deductions and withholdings payable	230,339 **		230,339
Unemployment compensation claims payable	15,134 ***		15,134
Interfund payables		501,988	501,988
Unearned revenue	89,378	6,770	96,148
Total liabilities	<u>749,180</u>	<u>559,959</u>	<u>1,309,139</u>
Fund Balances:			
Restricted for:			
Excess Surplus - current year	1,035,825		1,035,825
Excess Surplus - prior year - designated for subsequent year's expenditures	1,039,416		1,039,416
Capital reserve account	6,859,348		6,859,348
Unemployment Compensation	334,469		334,469
Student Activities		230,475	230,475
Assigned to:			
Year-end Encumbrances	2,266,238		2,266,238
Designated by the BOE for subsequent year's expenditures	1,334,864		1,334,864
Unassigned:			
General Fund	643,145		643,145
Total Fund balances	<u>13,513,305</u>	<u>230,475</u>	<u>13,743,780</u>
Total liabilities and fund balances	<u>14,262,485</u>	<u>790,434</u>	

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$29,833,991 and the accumulated depreciation is \$14,534,388	15,299,603
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Right to use assets at historical cost	5,632,412
Accumulated amortization	(3,959,926)
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds	(6,782)
Accounts payable for subsequent Pension payment is not a payable in the funds	(678,571)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	1,108,515
Deferred inflows of resources related to PERS Pension Liability	(1,386,974)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)	<u>(10,108,760)</u>
Net position of governmental activities	<u><u>19,643,297</u></u>

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

- \* Include former fiduciary fund cash and cash equivalents
- \*\* Include payroll deductions payable and flexible benefits liabilities (flex spending has no net position, only liabilities)
- \*\*\* Include unspent employee payroll unemployment contributions

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended June 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Local sources:			
Municipal tax levy	37,735,495		37,735,495
Tuition charges	8,842,427		8,842,427
Transportation fees from other LEAs	761,765		761,765
Miscellaneous	334,410	28,741	363,151
Student Group Receipts		386,737 *	386,737
Total - Local Sources	47,674,097	415,478	48,089,575
State sources	19,554,079	293,452	19,847,531
Federal sources	155,694	6,267,183	6,422,877
Total revenues	67,383,870	6,976,113	74,359,983
<b>EXPENDITURES</b>			
Current:			
Regular instruction	16,949,774		16,949,774
Special education instruction	5,065,880	3,329,145	8,395,025
Other special instruction	1,195,553		1,195,553
School sponsored/other instructional	904,843		904,843
Support services and undistributed costs:			
Tuition	3,338,095		3,338,095
Health services	458,974		458,974
Student & instruction related services	5,410,679	1,353,737 **	6,764,416
General administrative services	1,219,893		1,219,893
School administrative services	2,029,084		2,029,084
Central services & administrative information technology	1,317,018		1,317,018
Plant operations and maintenance	3,278,125		3,278,125
Pupil transportation	2,303,221		2,303,221
Unallocated benefits	8,276,086		8,276,086
On-behalf contributions	12,705,177		12,705,177
Transfer to Charter Schools	45,358		45,358
Debt service:			
Principal	518,080		518,080
Interest and other charges	87,656		87,656
Capital outlay	1,889,028	2,263,865	4,152,893
Total expenditures	66,992,524	6,946,747	73,939,271
Excess (Deficiency) of revenues	391,346	29,366	420,712
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(44,124)		(44,124)
Total other financing sources and uses	(44,124)	-	(44,124)
Net change in fund balances	347,222	29,366	376,588
Fund balance—July 1	13,166,083	201,109	13,367,192
Fund balance—June 30	13,513,305	230,475	13,743,780

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

\* Special revenue fund now includes revenues from scholarships and student activities

\*\* Special revenue fund now includes expenditures from scholarships and student activities

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Fiscal Year Ended June 30, 2023**

<b>Total net change in fund balances - governmental funds (from B-2)</b>		<b>376,588</b>
<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>		
<p style="margin-left: 400px;">Depreciation expense</p> <p style="margin-left: 100px;">Non-depreciable capital outlay - Construction in Progress</p> <p style="margin-left: 100px;">Depreciable Capital outlays</p>	<p>(1,029,242)</p> <p>840,902</p> <p><u>3,455,568</u></p>	<p></p> <p></p> <p>3,267,228</p>
<p>Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
<p style="margin-left: 100px;">Accumulated amortization</p>	<p><u>(979,738)</u></p>	<p>(979,738)</p>
<p>Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. In the current year, these amounts consist of:</p>		
<p style="margin-left: 100px;">Right to Use Lease Liability</p> <p style="margin-left: 100px;">Capital Lease Obligations</p>	<p>518,080</p> <p><u>9,059</u></p>	<p></p> <p>527,139</p>
<p>In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)</p>		
<p style="margin-left: 100px;">Right to Use Leases</p>	<p><u>(6,782)</u></p>	<p>(6,782)</p>
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
<p style="margin-left: 100px;">Decrease in compensated absences payable</p>		<p>16,503</p>
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred</p>		
<p style="margin-left: 100px;">District Pension Contributions</p> <p style="margin-left: 100px;">Less: Pension Expense</p> <p style="margin-left: 100px;">(Increase)/Decrease in Pension Expense</p>	<p>607,117</p> <p><u>610,829</u></p>	<p></p> <p>1,217,946</p>
<p>Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.</p>		
<p style="margin-left: 100px;">Decrease in On-behalf State Aid TPAF Pension</p> <p style="margin-left: 100px;">Decrease in On-behalf TPAF Pension Expense</p>		<p>(5,898,218)</p> <p>5,898,218</p>
<p>Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements</p>		
<p style="margin-left: 100px;">Increase in On-behalf State Aid TPAF Post Employment Medical Revenue</p> <p style="margin-left: 100px;">Increase in On-behalf State Aid TPAF Post Employment Medical Expense</p>		<p>663,149</p> <p>(663,149)</p>
<b>Change in net position of governmental activities</b>		<b><u>4,418,884</u></b>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	355,266	38,293	393,559
Accounts receivable:			
State	2,432		2,432
Federal	67,213		67,213
Inventories	28,774		28,774
Total current assets	453,685	38,293	491,978
Noncurrent assets:			
Capital assets:			
Equipment	340,944	16,460	357,404
Less accumulated depreciation	(185,165)	(9,876)	(195,041)
Total capital assets (net of accumulated depreciation)	155,779	6,584	162,363
Total assets	609,464	44,877	654,341
Current Liabilities:			
Deferred Revenue			
Interfunds Payable	164,162		164,162
Accounts Payable	5,800		5,800
Total Liabilities	169,962		169,962
<b>NET POSITION</b>			
Invested in capital assets	155,779	6,584	162,363
Unrestricted	283,723	38,293	322,016
Total net position	439,502	44,877	484,379

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2023**

	<b>Business-type Activities - Enterprise Fund</b>		<b>Totals</b>
	<b>School Nutrition</b>	<b>After School Program</b>	
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	298,873		298,873
Daily sales - non-reimbursable programs	166,157		166,157
Program Fees		156,839	156,839
Total operating revenues	<u>465,030</u>	<u>156,839</u>	<u>621,869</u>
Operating expenses:			
Cost of food - reimbursable programs	358,256		358,256
Cost of food - non-reimbursable programs	303,140		303,140
Salaries	822,026	154,037	976,063
Employee benefits	198,362		198,362
Supplies and materials	38,659		38,659
Purchased services	68,321		68,321
Depreciation expense	25,014	3,292	28,306
Repairs and other expenses	65,960	33,261	99,221
Total Operating Expenses	<u>1,879,738</u>	<u>190,590</u>	<u>2,070,328</u>
Operating income (loss)	<u>(1,414,708)</u>	<u>(33,751)</u>	<u>(1,448,459)</u>
Nonoperating revenues (expenses):			
State sources:			
School lunch program	26,274		26,274
Breakfast program	3,516		3,516
Breakfast after the bell program	7,220		7,220
Federal sources:			
National school lunch program	748,809		748,809
Snack program	40,151		40,151
Breakfast program	193,809		193,809
Supply Chain Assistance Funding	127,440		127,440
Local Food for School Cooperative Agreement Program	248		248
School Equipment Grant	5,020		5,020
U.S.D.A. Commodities	78,926		78,926
Total nonoperating revenues (expenses)	<u>1,231,413</u>		<u>1,231,413</u>
Income (loss) before contributions & transfers	<u>(183,295)</u>	<u>(33,751)</u>	<u>(217,046)</u>
Other financing sources/(uses):			
Asset Retired Prior to Full Depreciation	(2,700)		(2,700)
Transfer In	44,124		44,124
Change in net assets	<u>(141,871)</u>	<u>(33,751)</u>	<u>(175,622)</u>
Total net position—beginning	<u>581,373</u>	<u>78,628</u>	<u>660,001</u>
Total net position—ending	<u><u>439,502</u></u>	<u><u>44,877</u></u>	<u><u>484,379</u></u>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2023**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	470,780	156,839	627,619
Payments to suppliers	(1,758,544)	(187,298)	(1,945,842)
Net cash provided by (used for) operating activities	<u>(1,287,764)</u>	<u>(30,459)</u>	<u>(1,318,223)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
State Sources	36,920		36,920
Federal Sources	1,197,050		1,197,050
Board Contribution	44,124		44,124
Net cash provided by (used for) non-capital financing activities	<u>1,278,094</u>	<u></u>	<u>1,278,094</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(41,315)		(41,315)
Net cash provided by (used for) capital and related financing activities	<u>(41,315)</u>	<u></u>	<u>(41,315)</u>
Net increase (decrease) in cash and cash equivalents	<u>(50,985)</u>	<u>(30,459)</u>	<u>(81,444)</u>
Balances—beginning of year	406,251	68,752	475,003
Balances—end of year	<u>355,266</u>	<u>38,293</u>	<u>393,559</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	(1,414,708)	(33,751)	(1,448,459)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	25,014	3,292	28,306
Food Distribution Program	78,926		78,926
Increase (decrease) in interfunds	108,033		108,033
(Increase) decrease in inventories	(9,393)		(9,393)
Increase (decrease) in accounts payable	(75,636)		(75,636)
Total adjustments	<u>(1,287,764)</u>	<u>(30,459)</u>	<u>(1,318,223)</u>
Net cash provided by (used for) operating activities	<u>(1,287,764)</u>	<u>(30,459)</u>	<u>(1,318,223)</u>

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



**NOTES TO THE FINANCIAL STATEMENTS**

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

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

**A. Description of the School District and Reporting Entity**

The Board of Education ("Board") of the Borough of Cliffside Park School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Cliffside Park School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members and a Borough of Fairview Representative, all elected to three-year terms. The purpose of the District is to educate students in grades Pre-K–12. A superintendent 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 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 to the Board.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, a middle school and a high school, located in the Borough of Cliffside Park. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**B. Basis of Presentation**

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. Currently the District does not have any 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) reflected 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.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**Fund Financial Statements**

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *government*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

**GOVERNMENTAL FUNDS**

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

**General Fund** - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**GOVERNMENTAL FUNDS, (continued)**

**Capital Projects Fund** - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

**Debt Service Fund** - The debt service fund is used to account for the accumulation of resources for and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**PROPRIETARY FUNDS**

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

**Enterprise Funds** - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund and the After School Program.

**FIDUCIARY FUNDS**

**Fiduciary Fund** - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. Measurement Focus**

**District-wide Financial Statements**

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Fund Financial Statements**

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

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

**D. Basis of Accounting**

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

**Revenues - Exchange and Non-exchange Transactions**

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

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**Revenues - Exchange and Non-exchange Transactions, (continued)**

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

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

**E. Budgets/Budgetary Control**

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue, and debt service funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts 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. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

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

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**E. Budgets/Budgetary Control (continued)**

accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in 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.

**F. Encumbrances**

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 reservations of 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.

Open encumbrances in the special revenue fund, for which the Board has received advances, are reflected in the balance sheet as unearned revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**G. Cash, Cash Equivalents and Investments**

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the Board has adopted a cash management plan that 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.



**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**G. Cash, Cash Equivalents and Investments (continued)**

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**H. Tuition Revenues/Receivable**

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**I. Inventories**

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

**J. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**K. Short-Term Interfund Receivables/Payables**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**L. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value to the asset or materially extend an asset’s life are not.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

**M. Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Board and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Board and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**N. Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

**O. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**P. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**Q. Accounting and Financial Reporting for Pensions**

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**Q. Accounting and Financial Reporting for Pensions (continued)**

information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**R. Bond Discounts/Premiums**

Bond discounts/premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts/premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

**S. 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify in this category, deferred amounts related to pension and unamortized bond premiums.

**T. Right to Use Assets**

The District has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue.

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**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**U. Fund Balances**

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

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

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.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**V. Net Position**

Net position represent the difference between assets and deferred outflows and liabilities and deferred inflows. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**W. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**X. Extraordinary and Special Items**

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

**Y. Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were not allocated. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Z. Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**AA. New Accounting Standards**

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

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which improves 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 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. The implementation of this statement has no material impact on the financial statements.

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

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. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS:**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$0- of the District's bank balance of \$13,391,775 was exposed to custodial credit risk.



**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS: (continued)**

**Investments**

**Investment Rate Risk**

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

**Credit Risk**

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The District places no limit on the amount the District may invest in any one issuer.

**NOTE 3. RECEIVABLES:**

Receivables at June 30, 2023, consisted of accounts receivable and intergovernmental receivables. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise <u>Fund</u>	District Wide Financial <u>Statements</u>
Interfunds	\$666,150	\$	\$
State Aid	1,030,791	2,432	1,033,223
Federal Aid	538,098	67,213	605,311
Other Receivables	<u>731,490</u>	<u>        </u>	<u>731,490</u>
Gross Receivables	2,966,529	69,645	2,370,024
Less: Allowance for Uncollectibles	<u>        </u>	<u>        </u>	<u>        </u>
Total Receivables, Net	<u>\$2,966,529</u>	<u>\$69,645</u>	<u>\$2,370,024</u>

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 4. INTERFUND BALANCE AND ACTIVITY:**

Balances due to/from other funds at June 30, 2023 consist of the following:

\$501,988	Due to the General Fund from the Special Revenue Fund for short term loans.
<u>164,162</u>	Due to the General Fund from the Cafeteria Fund for expense reimbursement.
<u>\$666,150</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

Interfund transfers for the year ended June 30, 2023 consisted of the following:

<u>\$44,124</u>	Transfer from the General Fund to the Food Service Fund for expense reimbursement.
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**NOTE 5. CAPITAL ASSETS:**

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

	<u>Balance 6/30/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2023</u>
<b>Governmental Activities</b>				
Capital assets that are not being depreciated:				
Land	\$188,668	\$	\$	\$188,668
Construction in progress	<u>1,171,399</u>	<u>840,902</u>	<u>(1,171,399)</u>	<u>840,902</u>
Total capital assets not being depreciated	<u>1,360,067</u>	<u>840,902</u>	<u>(1,171,399)</u>	<u>1,029,570</u>
Building and building improvements	18,530,392	2,690,459		21,220,851
Machinery and equipment	3,107,670	439,120	(10,660)	3,536,130
Land Improvements	2,550,052	325,989	1,171,399	4,047,440
Right to use leased assets	<u>5,632,412</u>			<u>5,632,412</u>
Totals at historical cost	<u>29,820,526</u>	<u>3,455,568</u>	<u>1,160,739</u>	<u>34,436,833</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,804,635)	(601,459)		(10,406,094)
Machinery and Equipment	(2,278,390)	(322,132)	10,660	(2,589,862)
Land Improvements	(1,432,781)	(105,651)		(1,538,432)
Right to use leased assets	<u>(2,980,188)</u>	<u>(979,738)</u>		<u>(3,959,926)</u>
Total accumulated depreciation	<u>(16,495,994)</u>	<u>(2,008,980)</u>	<u>10,660</u>	<u>(18,494,314)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>13,324,532</u>	<u>1,446,588</u>	<u>1,171,399</u>	<u>15,942,519</u>
Governmental activities capital assets, net	<u>\$14,684,599</u>	<u>\$2,287,490</u>	<u>\$0</u>	<u>\$16,972,089</u>

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 5. CAPITAL ASSETS: (continued)**

	Restated Balance <u>6/30/2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/2023</u>
<b>Business-type activities:</b>				
Equipment - Food Service	\$315,045	\$41,315	(\$15,416)	\$340,944
Equipment - After School Program	16,460			16,460
Less accumulated depreciation for:				
Equipment - Food Service	(172,867)	(25,014)	12,716	(185,165)
Equipment - After School Program	<u>(6,584)</u>	<u>(3,292)</u>		<u>(9,876)</u>
Business-type activities capital assets, net	<u>\$152,054</u>	<u>\$13,009</u>	<u>(\$2,700)</u>	<u>\$162,363</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$47,094
Support Service:	
Student & Instruction Related Services	28,823
School Administration	17,744
Operations and Maintenance	19,622
Student Transportation	206,771
Unallocated Depreciation	603,537
Amortization	979,738
Land Improvements	<u>105,651</u>
Total Depreciation Expense	<u>\$2,008,980</u>

**NOTE 6. LONG-TERM OBLIGATION ACTIVITY:**

Changes in long-term obligations for the fiscal year ended June 30, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
<b>Governmental Activities:</b>					
Other Liabilities:					
Net Pension Liability PERS	\$5,702,021	\$1,563,548	\$	\$7,265,569	\$
Obligations Under Capital Lease	9,059		(9,059)	0	
Compensated Absences Payable	725,550	4,147	(20,650)	709,047	
Lease Liability	<u>2,652,224</u>		<u>(518,080)</u>	<u>2,134,144</u>	<u>530,017</u>
Total Other Liabilities	<u>9,088,854</u>	<u>1,567,695</u>	<u>(547,789)</u>	<u>10,108,760</u>	<u>530,017</u>
	<u>\$9,088,854</u>	<u>\$1,567,695</u>	<u>(\$547,789)</u>	<u>\$10,108,760</u>	<u>\$530,017</u>

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 6. LONG-TERM OBLIGATION ACTIVITY: (continued)**

**A. Bonds Payable:**

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligations bonds.

There were no outstanding bonds payable at June 30, 2023.

**B. Bonds Authorized But Not Issued:**

As of June 30, 2023, the Board has no authorized but not issued bonds.

**C. Capital Leases:**

There were no outstanding capital leases payable at June 30, 2023.

**D. Compensated Absences:**

Compensated absences will be paid from the fund which the employees' salaries are paid.

**E. Net Pension Liability:**

For details on the net pension liability, refer to Note 7. The District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

**F. Leases:**

The District has entered into multiple leases as a lessee of building for instructional space. An initial lease liability was recorded in the amount of \$5,632,412 in the current year as a prior year restatement. For year ended June 30, 2023, the value of the lease liability is \$2,134,144. The lease have interest rates of 4.00%. The value of the right to use assets for the year ended June 30, 2023 was \$1,672,486, with accumulated amortization of \$3,959,926.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023 were as follows:

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 6. LONG-TERM OBLIGATION ACTIVITY: (continued)**

F. Leases: (continued)

<u>Fiscal Year Ending</u>	<u>Governmental Activities</u>
2024	\$605,736
2025	435,000
2026	356,250
2027	300,000
2028	300,000
2029-2030	<u>375,000</u>
Total minimum lease payments	2,371,986
Less: Amount representing interest	<u>(237,842)</u>
Present value of lease payments	<u><u>\$2,134,144</u></u>

**NOTE 7. PENSION PLANS:**

**Description of Plans** - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: [http://www.state.nj.us/treasury/pensions/annrpts\\_archive.htm](http://www.state.nj.us/treasury/pensions/annrpts_archive.htm).

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund (TPAF) was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The TPAF is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits.

**Benefits Provided**

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 case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
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 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 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 10 years of service credit and have not reached the service retirement age for the respective tier.

**Public Employees' Retirement System (PERS)** - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Benefits Provided**

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.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
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 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 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 10 years of service credit and have not reached the service retirement age for the respective tier.

**Defined Contribution Retirement Program**

Empower Financial Services jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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 DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

Contributions Requirements Fund Based Statements

The Board’s contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/23	\$607,117	\$43,759
6/30/22	563,688	-0-
6/30/21	531,487	-0-

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year <u>Ending</u>	Pension <u>Contributions</u>	Post-Retirement Medical <u>Contributions</u>	NCGI <u>Premium</u>	Long-Term Disability <u>Liability</u>
6/30/23	\$8,501,433	\$2,264,290	\$117,948	\$4,189
6/30/22	8,067,476	1,911,482	113,821	3,758
6/30/21	5,476,716	1,748,973	104,202	3,946

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,817,317 during the 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 included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.



**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68**

**Public Employees Retirement System (PERS)**

At June 30, 2023, the District had a liability of \$7,265,569 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2022, the District's proportion was 0.0481438446 percent, which was an increase of 0.000113034 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$(610,829). At June 30, 2023, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$52,440	\$46,244
Changes of assumptions	22,511	1,087,943
Net difference between projected and actual earnings on pension plan investments	300,715	
Changes in proportion and differences between District's contributions and proportionate share of contributions	54,278	252,787
District contributions subsequent to the measurement date	<u>678,571</u>	<u>                    </u>
Total	<u>\$1,108,515</u>	<u>\$1,386,974</u>

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

The \$678,571 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2023, the plan measurement date is June 30, 2022) will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$(623,233)
2024	(317,516)
2025	(154,847)
2026	337,817
2027	(742)

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 years for 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

**Additional Information**

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2022 and June 30, 2021 are as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$1,660,772,008	\$1,164,738,169
Collective deferred inflows of resources	3,236,303,935	8,339,123,762
Collective net pension liability	15,091,376,611	11,846,499,172
District's Proportion	0.0481438446%	0.0481325412%

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

**Actuarial Assumptions**

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.

**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 a generational basis. Mortality improvement based on Scale MP-2021.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in 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>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability 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 to determine the total pension liability.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$9,351,646	\$7,265,569	\$5,490,233

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

**Teachers Pensions and Annuity Fund (TPAF)**

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2023 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>101,110,400</u>
	<u>\$101,110,400</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2022, the proportion of the TPAF net pension liability associated with the District was 0.1959715961%.

For the year ended June 30, 2023, the District recognized on-behalf pension expense and revenue of \$2,721,163 for contributions provided by the State in the District-Wide Financial Statements.

**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:

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

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 Health 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 a 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.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 7. PENSION PLANS: (continued)**

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

**Discount Rate**

The discount rate used to measure the total pension liability 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 to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.



**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 8. POST-RETIREMENT BENEFITS:**

**General Information about the OPEB Plan**

**State Health Benefit State Retired Employees Plan**

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement NO. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 8. POST-RETIREMENT BENEFITS: (continued)**

*Total OPEB Liability*

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability of the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [nj.gov/treasury/omb/fr.shtml](http://nj.gov/treasury/omb/fr.shtml).

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2023 was as follows:

OPEB Liability:	
District's proportionate share	\$
State's proportionate share associated with the District	<u>77,362,057</u>
	<u>\$77,362,057</u>

*[THIS AREA INTENTIONALLY LEFT BLANK]*

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 8. POST-RETIREMENT BENEFITS: (continued)**

*Actual Assumptions and Other Imputes*

The total OPEB liability in the June 30, 2022 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP</u>	<u>PERS</u>
Thereafter	2.75 - 4.25% based on service years	2.75 - 6.55% based on service years

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP). “General” (PERS), and “Safety” (PFRS) 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.

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

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 8. POST-RETIREMENT BENEFITS: (continued)**

***(a) 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 4.50% 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%.

***(b) Discount Rate***

The discount rate used to measure the total OPEB Liability 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.

***Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate***

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

***Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:***

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:***

For the year ended June 30, 2023, the board of education/board of trustees recognized on-behalf OPEB expense of \$2,927,439 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Borough of Cliffside Park School District's proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 9. DEFERRED COMPENSATION:**

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable	GALIC
Oppenheimer Funds	Security Benefit
First Investors	VALIC
MetLife	

**NOTE 10. RISK MANAGEMENT:**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

**New Jersey Unemployment Compensation Insurance** - 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 balances for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earnings/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$-0-	\$60,411	\$130,879	\$349,603
2021-2022	-0-	55,849	998	420,071
2020-2021	-0-	49,779	19,028	365,220

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 11. CAPITAL RESERVE ACCOUNT:**

A capital reserve account was established by the Borough of Cliffside Park Board of Education by inclusion of \$200,000 on June 24, 2008 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. There existed a balance of \$6,859,348 in the capital reserve account at June 30, 2023.

Funds placed in the capital reserve account 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 amount 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. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$6,776,872
Increased by:	
Interest Earnings	2,533
Capital Outlay Unexpended Appropriations	79,943
Board Resolution - June 23, 20223	<u>3,000,000</u>
Decreased by:	
Budget Appropriations	<u>(3,000,000)</u>
Ending balance, June 30, 2023	<u>\$6,859,348</u>

**NOTE 12. FUND BALANCE APPROPRIATED:**

**General Fund [Exhibit B-1]** - Of the \$13,513,305 General Fund fund balance at June 30, 2023, \$2,075,241 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; (\$1,039,416 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2024); \$6,859,348 has been reserved in the Capital Reserve Account; \$2,266,238 is reserved for encumbrances; \$334,469 is reserved for Unemployment compensation; \$1,334,864 is designated by the BOE for subsequent year’s expenditures; and \$643,145 is unreserved and undesignated.

**Special Revenue Fund:** Of the \$230,475 Special Revenue Fund fund balance at June 30, 2023, \$230,475 is reserved for Student Groups.

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 13. CALCULATION OF EXCESS SURPLUS:**

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance — 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 reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$2,074,359 of which \$1,034,943 is the result of current year operations.

**NOTE 14. INVENTORY:**

Inventory in the Food Service Fund at June 30, 2023 consisted of the following:

Food	\$20,850
Supplies	<u>7,924</u>
	<u>\$28,774</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

**NOTE 15. RIGHT TO USE LEASED ASSETS:**

The District has right to use leased assets for buildings which are shown in the capital asset footnote (Note 5). The related leases are discussed in the Leases subsection of the Long-term obligations section of this note (Note 6). The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

	Restated Balance <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2023</u>
Right to use assets				
Leased Building	<u>\$5,632,412</u>	\$ _____	\$ _____	<u>\$5,632,412</u>
Total right to use assets	<u>5,632,412</u>	_____	_____	<u>5,632,412</u>
Less accumulated amortization for:				
Leased Building	<u>(2,980,188)</u>	<u>(979,738)</u>	_____	<u>(3,959,926)</u>
Total accumulated amortization	<u>(2,980,188)</u>	<u>(979,738)</u>	_____	<u>(3,959,926)</u>
Right to use leased asset, net	<u>\$2,652,224</u>	<u>(\$979,738)</u>	<u>\$0</u>	<u>\$1,672,486</u>

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2023**

**NOTE 16. RESTATEMENT:**

Statement of Net Position for June 30, 2022 was restated to reflect the reclassification of right to use leased assets as per Governmental Accounting Standards Board (“GASB”) number 87. This resulted in restatement of Current Assets, Noncurrent Liabilities and Net Position as of June 30, 2022.

	<u>Governmental Activities</u>
Capital Assets:	
Right to use lease assets, net of amortization at June 30, 2022	\$ -
Prior Period Adjustment or Implementation of GASB #87	<u>2,652,224</u>
Capital Assets:	
Right to use lease assets, net of amortization at June 30, 2022 - Restated	<u><u>\$2,652,224</u></u>
Noncurrent Liabilities:	
Due within one year at June 30, 2022	\$29,709
Prior Period Adjustment or Implementation of GASB #87	<u>518,080</u>
Noncurrent Liabilities:	
Due within one year at June 30, 2022 - Restated	<u><u>\$547,789</u></u>
Noncurrent Liabilities:	
Due beyond one year at June 30, 2022	\$6,406,921
Prior Period Adjustment or Implementation of GASB #87	<u>2,134,144</u>
Noncurrent Liabilities:	
Due beyond one year at June 30, 2022 - Restated	<u><u>\$8,541,065</u></u>
Net Position	
Invested in capital assets at June 30, 2022	\$12,023,316
Prior Period Adjustment or Implementation of GASB #87	<u>2,652,224</u>
Net Position	
Invested in capital assets at June 30, 2022 - Restated	<u><u>\$14,675,540</u></u>
Net Position	
Unrestricted (Deficit) at June 30, 2022	\$(8,222,714)
Prior Period Adjustment or Implementation of GASB #87	<u>(2,652,224)</u>
Net Position	
Unrestricted (Deficit) at June 30, 2022 - Restated	<u><u>(\$10,874,938)</u></u>



**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2023**

**NOTE 17. CONTINGENT LIABILITIES:**

**Grant Programs** - The school district participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

**Litigation** - 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.

**NOTE 18. SUBSEQUENT EVENTS:**

The District has evaluated subsequent events through November 15, 2023, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
<b>General Fund:</b>					
Revenues from Local Sources:					
Local Tax Levy	37,735,495		37,735,495	37,735,495	
Tuition from LEA's Within State	8,781,797		8,781,797	8,842,427	60,630
Tuition from Other Govt Sources Within State	27,409		27,409		(27,409)
Transportation Fees from Other LEAs	1,102,153		1,102,153	761,765	(340,388)
Interest Earned on Capital Reserve Funds	8,000		8,000	2,533	(5,467)
Unrestricted Miscellaneous Revenues	256,641		256,641	331,877	75,236
<b>Total - Local Sources</b>	<u>47,911,495</u>		<u>47,911,495</u>	<u>47,674,097</u>	<u>(237,398)</u>
Revenues from State Sources:					
Categorical Special Education Aid	1,923,091		1,923,091	1,923,091	
Equalization Aid	2,806,521		2,806,521	2,806,521	
Categorical Security Aid	926,208		926,208	926,208	
Categorical Transportation Aid	323,598		323,598	323,598	
Extraordinary Aid	650,000		650,000	743,730	93,730
NTE Homeless Reimbursement				85,534	85,534
Lead Testing for Schools Aid				8,640	8,640
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				2,264,290	2,264,290
On-behalf TPAF Pension (non-budgeted)				8,501,433	8,501,433
On-behalf TPAF NCGI Premium (non-budgeted)				117,948	117,948
On-behalf TPAF LTDI				4,189	4,189
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,817,317	1,817,317
<b>Total - State Sources</b>	<u>6,629,418</u>		<u>6,629,418</u>	<u>19,522,499</u>	<u>12,893,081</u>
Revenues from Federal Sources:					
Medicaid Administrative Claiming (MAC)				31,974	31,974
Special Education Medicaid Initiative	189,366		189,366	111,881	(77,485)
FFRCA/SEMI				11,839	11,839
<b>Total - Federal Sources</b>	<u>189,366</u>		<u>189,366</u>	<u>155,694</u>	<u>(33,672)</u>
<b>TOTAL REVENUES</b>	<u>54,730,279</u>		<u>54,730,279</u>	<u>67,352,290</u>	<u>12,622,011</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Preschool - Salaries of Teachers	54,172	43,614	97,786	97,786	
Kindergarten - Salaries of Teachers	634,124	115,243	749,367	749,367	
Grades 1-5 - Salaries of Teachers	5,192,236	(158,857)	5,033,379	4,622,420	410,959
Grades 6-8 - Salaries of Teachers	2,974,555	(40,705)	2,933,850	2,687,165	246,685
Grades 9-12 - Salaries of Teachers	7,516,227		7,516,227	7,283,130	233,097
<b>Regular Programs - Home Instruction:</b>					
Salaries of Teachers	83,000		83,000	63,707	19,293
<b>Regular Programs - Undistributed Instruction</b>					
Other Salaries for Instruction	221,852	38,782	260,634	239,269	21,365
Other Purchased Services (400-500 series)	947,047		947,047	854,250	92,797
General Supplies	494,051	(59,093)	434,958	352,646	82,312
Textbooks	280,489	134,486	414,975	352,935	62,040
Other Objects	396,839	(75,393)	321,446	252,835	68,611
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<u>18,794,592</u>	<u>(1,923)</u>	<u>18,792,669</u>	<u>17,555,510</u>	<u>1,237,159</u>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Learning and/or Language Disabilities - Mild/Moderate</b>					
Salaries of Teachers	788,979	28,536	817,515	803,127	14,388
Other Salaries for Instruction	471,161	2,080	473,241	470,024	3,217
General Supplies	20,000	(15,000)	5,000		5,000
<b>Total Learning and/or Language Disabilities - Mild/Moderate</b>	<u>1,280,140</u>	<u>15,616</u>	<u>1,295,756</u>	<u>1,273,151</u>	<u>22,605</u>
<b>Emotional Regulation Impairment</b>					
Salaries of Teachers	290,573	(54,328)	236,245	211,237	25,008
Other Salaries for Instruction	92,962	15,000	107,962	91,732	16,230
<b>Total Emotional Regulation Impairment</b>	<u>383,535</u>	<u>(39,328)</u>	<u>344,207</u>	<u>302,969</u>	<u>41,238</u>
<b>Multiple Disabilities</b>					
Salaries of Teachers	224,027	(21,280)	202,747	149,051	53,696
Other Salaries for Instruction	132,982	21,280	154,262	152,563	1,699
<b>Total Multiple Disabilities</b>	<u>357,009</u>		<u>357,009</u>	<u>301,614</u>	<u>55,395</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	1,462,762	75,775	1,538,537	1,523,880	14,657
Other Salaries for Instruction	517,634	14,228	531,862	529,452	2,410
<b>Total Resource Room/Resource Center</b>	<u>1,980,396</u>	<u>90,003</u>	<u>2,070,399</u>	<u>2,053,332</u>	<u>17,067</u>
<b>Autism</b>					
Salaries of Teachers	423,180	(89,692)	333,488	313,569	19,919
Other Salaries for Instruction	326,995	(310)	326,685	317,352	9,333
<b>Total Autism</b>	<u>750,175</u>	<u>(90,002)</u>	<u>660,173</u>	<u>630,921</u>	<u>29,252</u>
<b>Preschool Disabilities- Full-Time:</b>					
Salaries of Teachers	266,782		266,782	266,470	312
Other Salaries for Instruction	283,521	(46,098)	237,423	237,423	
<b>Total Preschool Disabilities - Full-Time</b>	<u>550,303</u>	<u>(46,098)</u>	<u>504,205</u>	<u>503,893</u>	<u>312</u>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<u>5,301,558</u>	<u>(69,809)</u>	<u>5,231,749</u>	<u>5,065,880</u>	<u>165,869</u>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	1,159,810	71,732	1,231,542	1,193,053	38,489
General Supplies	5,000		5,000	2,500	2,500
<b>Total Bilingual Education - Instruction</b>	<u>1,164,810</u>	<u>71,732</u>	<u>1,236,542</u>	<u>1,195,553</u>	<u>40,989</u>
<b>School-Sponsored Cocurricular Activities - Instruction</b>					
Salaries	190,000	(73,225)	116,775	116,775	
Other Objects	5,000		5,000		5,000
<b>Total School-Sponsored Cocurricular Activities - Instruction</b>	<u>195,000</u>	<u>(73,225)</u>	<u>121,775</u>	<u>116,775</u>	<u>5,000</u>
<b>School-Sponsored Athletics - Instruction</b>					
Salaries	386,390	73,225	459,615	449,980	9,635
Purchased Services (300-500 series)	45,000		45,000	37,500	7,500
Supplies and Materials	275,305		275,305	223,253	52,052
Transfers to Cover Deficit (Custodial Funds)	129,918		129,918	40,000	89,918
<b>Total School-Sponsored Athletics - Instruction</b>	<u>836,613</u>	<u>73,225</u>	<u>909,838</u>	<u>750,733</u>	<u>159,105</u>
<b>Instructional Alternative Ed Programs - Instruction</b>					
Other Purchased Services (400-500 series)	92,500		92,500	37,335	55,165
<b>Total Instructional Alternative Ed Programs - Instruction</b>	<u>92,500</u>		<u>92,500</u>	<u>37,335</u>	<u>55,165</u>
<b>TOTAL INSTRUCTION</b>	<u>26,385,073</u>		<u>26,385,073</u>	<u>24,721,786</u>	<u>1,663,287</u>
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to Other LEAs Within the State - Special	731,032	106,470	837,502	776,013	61,489
Tuition to County Voc. School Dist. - Regular	592,186	64,496	656,682	554,260	102,422
Tuition to County Voc. School Dist. - Special	283,253	(57,630)	225,623	220,258	5,365
Tuition to CSSD & Regional Day Schools	1,145,214	(165,498)	979,716	715,855	263,861
Tuition to Private Schools for the Handicapped - Within State	1,066,490	39,615	1,106,105	1,071,709	34,396
<b>Total Undistributed Expenditures - Instruction:</b>	<u>3,818,175</u>	<u>(12,547)</u>	<u>3,805,628</u>	<u>3,338,095</u>	<u>467,533</u>
<b>Undist. Expend. - Health Services</b>					
Salaries	446,240	520	446,760	446,462	298
Other Purchased Services (400-500 series)	7,500	1,065	8,565	4,080	4,485
Supplies and Materials	17,248	(1,065)	16,183	8,432	7,751
<b>Total Undistributed Expenditures - Health Services</b>	<u>470,988</u>	<u>520</u>	<u>471,508</u>	<u>458,974</u>	<u>12,534</u>
<b>Undist. Expend. - Speech, OT, PT &amp; Related Svcs.</b>					
Salaries	593,303		593,303	525,602	67,701
Purchased Prof. Services-Educational Services	1,283,285	18,516	1,301,801	1,074,495	227,306
<b>Total Undist. Expend. - Speech, OT, PT, &amp; Related Svcs</b>	<u>1,876,588</u>	<u>18,516</u>	<u>1,895,104</u>	<u>1,600,097</u>	<u>295,007</u>
<b>Undist. Expend. - Other Supp. Serv. Students-Extra Serv.</b>					
Purchased Prof. Services-Educational Services	555,629	(18,516)	537,113	169,469	367,644
<b>Total Undist. Expend. - Other Supp. Serv. Students-Extra Svcs.</b>	<u>555,629</u>	<u>(18,516)</u>	<u>537,113</u>	<u>169,469</u>	<u>367,644</u>
<b>Undist. Expend. - Guidance</b>					
Salaries of Other Professional Staff	1,067,923		1,067,923	1,060,946	6,977
Salaries of Secretarial and Clerical Assistants	65,750		65,750	65,189	561
<b>Total Undist. Expend. - Guidance</b>	<u>1,133,673</u>		<u>1,133,673</u>	<u>1,126,135</u>	<u>7,538</u>
<b>Undist. Expend. - Other Supp. Child Study Teams</b>					
Salaries of Other Professional Staff	1,093,115	40,000	1,133,115	1,080,727	52,388
Salaries of Secretarial and Clerical Assistants	129,980		129,980	129,330	650
Other Purchased Professional and Technical Services	1,087,365	(39,386)	1,047,979	927,248	120,731
<b>Total Undist. Expend. - Other Supp. Serv. Child Study Teams</b>	<u>2,310,460</u>	<u>614</u>	<u>2,311,074</u>	<u>2,137,305</u>	<u>173,769</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Undist. Expend. - Educational Media Serv./Sch. Library</b>					
Salaries	311,966	1,119	313,085	281,695	31,390
Supplies and Materials	60,807	(6,287)	54,520	32,994	21,526
<b>Total Undist. Expend. - Educational Media Serv./Sch. Library</b>	<u>372,773</u>	<u>(5,168)</u>	<u>367,605</u>	<u>314,689</u>	<u>52,916</u>
<b>Undist. Expend. - Instructional Staff Training Serv.</b>					
Purchased Professional - Educational Services	12,800	3,085	15,885	15,885	
Other Purchased Services (400-500 series)	50,226	3,519	53,745	47,099	6,646
<b>Total Undist. Expend. - Instructional Staff Training Serv.</b>	<u>63,026</u>	<u>6,604</u>	<u>69,630</u>	<u>62,984</u>	<u>6,646</u>
<b>Undist. Expend. - Supp. Serv. - General Administration</b>					
Salaries	348,118	3,834	351,952	351,952	
Legal Services	88,337	(5,883)	82,454	12,174	70,280
Audit Fees	93,300		93,300	44,310	48,990
Other Purchased Professional Services	98,000		98,000	63,000	35,000
Purchased Technical Services	84,505		84,505	68,190	16,315
Communications/Telephone	100,126		100,126	81,494	18,632
Other Purch Services (400-500 Series)	557,956	(162)	557,794	503,833	53,961
General Supplies	15,635	478	16,113	16,063	50
Judgements against the School District	35,000	(316)	34,684	1,177	33,507
Misc. Expenditures	104,447		104,447	76,710	27,737
BOE Membership Dues and Fees	1,000		1,000	990	10
<b>Total Undist. Expend. - Supp. Serv. - General Administration</b>	<u>1,526,424</u>	<u>(2,049)</u>	<u>1,524,375</u>	<u>1,219,893</u>	<u>304,482</u>
<b>Undist. Expend. - Support Serv. - School Administration</b>					
Salaries of Principals/Assistant Principals	1,530,456	3,250	1,533,706	1,533,625	81
Salaries of Secretarial and Clerical Assistants	520,972	(13,920)	507,052	474,700	32,352
Other Objects	18,050	2,800	20,850	20,759	91
<b>Total Undist. Expend. - Support Serv. - School Administration</b>	<u>2,069,478</u>	<u>(7,870)</u>	<u>2,061,608</u>	<u>2,029,084</u>	<u>32,524</u>
<b>Undist. Expend. - Support Serv. - Central Services</b>					
Salaries	463,381		463,381	460,693	2,688
Purchased Professional Services	82,000	(9,199)	72,801	56,645	16,156
Supplies and Materials	15,000	(2,156)	12,844	1,597	11,247
Other Objects	4,500		4,500	2,846	1,654
<b>Total Undist. Expend. - Support Serv. - Central Services</b>	<u>564,881</u>	<u>(11,355)</u>	<u>553,526</u>	<u>521,781</u>	<u>31,745</u>
<b>Undist. Expend. - Admin Info. Technology</b>					
<b>Information Technology</b>					
Salaries	381,868	10,670	392,538	392,538	
Supplies and Materials	247,957	(111,655)	136,302	136,302	
Other Objects	146,187	120,210	266,397	266,397	
<b>Information Technology</b>	<u>776,012</u>	<u>19,225</u>	<u>795,237</u>	<u>795,237</u>	
<b>Undist. Expend. - Required Maint. for School Facilities (261)</b>					
Salaries	103,000	7,000	110,000	110,000	
Cleaning, Repair and Maintenance Services	395,652		395,652	302,148	93,504
General Supplies	109,142	(3,000)	106,142	35,585	70,557
<b>Total Undist. Expend. - Required Maint. for School Facilities</b>	<u>607,794</u>	<u>4,000</u>	<u>611,794</u>	<u>447,733</u>	<u>164,061</u>
<b>Undist. Expend. - Custodial Services (262)</b>					
Salaries	1,565,514	(136,602)	1,428,912	1,383,104	45,808
Cleaning, Repair and Maintenance Services	172,695	(5,060)	167,635	43,159	124,476
Insurance	79,200	5,060	84,260	84,100	160
General Supplies	330,363	(19,884)	310,479	260,510	49,969
Energy (Energy and Electricity)	288,489	69,300	357,789	330,983	26,806
Energy (Natural Gas)	257,320	(11,660)	245,660	151,486	94,174
<b>Total Undist. Expend. - Custodial Services</b>	<u>2,693,581</u>	<u>(98,846)</u>	<u>2,594,735</u>	<u>2,253,342</u>	<u>341,393</u>
<b>Undist. Expend. - Care &amp; Upkeep of Grounds (263)</b>					
Cleaning, Repair and Maintenance Services	73,860	22,151	96,011	96,011	
Other Objects	234,060		234,060	234,060	
<b>Total Undist. Expend. - Care &amp; Upkeep of Grounds</b>	<u>307,920</u>	<u>22,151</u>	<u>330,071</u>	<u>330,071</u>	
<b>Undist. Expend. - Security</b>					
Purchased Professional and Technical Services	280,154	(21,662)	258,492	223,344	35,148
Cleaning, Repair and Maintenance Services	22,000		22,000	11,733	10,267
General Supplies	19,000		19,000	11,902	7,098
<b>Total Undist. Expend. - Security</b>	<u>321,154</u>	<u>(21,662)</u>	<u>299,492</u>	<u>246,979</u>	<u>52,513</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Undist. Expend. - Student Transportation Services (270)</b>					
Salaries of Non-Instructional Aides	572,037	140,679	712,716	706,139	6,577
Salaries for Pupil Trans (Bet. Home & Sch. ) - Sp Ed	929,135	(18,082)	911,053	888,311	22,742
Salaries for Pupil Trans (Other than Bet. Home & Sch. )	30,000	7,005	37,005	37,005	
Cleaning, Repair and Maintenance Services	285,415	(19,363)	266,052	221,303	44,749
Rental Payments - School Buses	40,000		40,000		40,000
Contract Services (Sp. Ed. Students)-Joint Agreements	314,776	(1)	314,775	276,185	38,590
Misc. Purchased Services - Transportation	57,000		57,000	56,801	199
General Supplies	108,586	19,364	127,950	117,477	10,473
<b>Total Undist. Expend. - Student Transportation Services</b>	<u>2,336,949</u>	<u>129,602</u>	<u>2,466,551</u>	<u>2,303,221</u>	<u>163,330</u>
<b>UNALLOCATED BENEFITS</b>					
Social Security Contributions	710,000		710,000	663,998	46,002
T.P.A.F. Contributions - ERIP	300,000	8,872	308,872	308,872	
Other Retirement Contributions - PERS	600,000	9,792	609,792	609,792	
Other Retirement Contributions - Regular		95,000	95,000	43,759	51,241
Workmen's Compensation	437,291		437,291	366,370	70,921
Health Benefits	6,736,101	(159,633)	6,576,468	6,221,342	355,126
Tuition Reimbursements	50,000	11,953	61,953	61,953	
Other Employee Benefits	50,000		50,000		50,000
<b>TOTAL UNALLOCATED BENEFITS</b>	<u>8,883,392</u>	<u>(34,016)</u>	<u>8,849,376</u>	<u>8,276,086</u>	<u>573,290</u>
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				2,264,290	(2,264,290)
On-behalf TPAF Pension (non-budgeted)				8,501,433	(8,501,433)
On-behalf TPAF NCGI Premium (non-budgeted)				117,948	(117,948)
On-behalf TPAD LTDI				4,189	(4,189)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,817,317	(1,817,317)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>				<u>12,705,177</u>	<u>(12,705,177)</u>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<u>8,883,392</u>	<u>(34,016)</u>	<u>8,849,376</u>	<u>20,981,263</u>	<u>(12,131,887)</u>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<u>30,688,897</u>	<u>(10,797)</u>	<u>30,678,100</u>	<u>40,336,352</u>	<u>(9,658,252)</u>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<u>57,073,970</u>	<u>(10,797)</u>	<u>57,063,173</u>	<u>65,058,138</u>	<u>(7,994,965)</u>
<b>CAPITAL OUTLAY</b>					
<b>Undist. Expenditures:</b>					
Instruction	113,676	(4,795)	108,881	107,634	1,247
Care and Upkeep of Grounds	49,000	9,478	58,478	58,478	
School Buses-Special	135,000	(4,683)	130,317	130,235	82
<b>Total Undist. Expend.</b>	<u>297,676</u>		<u>297,676</u>	<u>296,347</u>	<u>1,329</u>
<b>Facilities Acquisition and Construction Services</b>					
Architectural/Engineering Services	151,580	300,000	451,580	346,015	105,565
Construction Services	3,073,197	(300,000)	2,773,197	1,239,865	1,533,332
Assessment for Debt Service on SDA Funding	6,801		6,801	6,801	
<b>Total Facilities Acquisition and Construction Services</b>	<u>3,231,578</u>		<u>3,231,578</u>	<u>1,592,681</u>	<u>1,638,897</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>3,529,254</u>		<u>3,529,254</u>	<u>1,889,028</u>	<u>1,640,226</u>
<b>Transfer of Funds to Charter Schools</b>	<u>50,000</u>	<u>12,027</u>	<u>62,027</u>	<u>45,358</u>	<u>16,669</u>
<b>TOTAL EXPENDITURES</b>	<u>60,653,224</u>	<u>1,230</u>	<u>60,654,454</u>	<u>66,992,524</u>	<u>(6,338,070)</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>	<u>(5,922,945)</u>	<u>(1,230)</u>	<u>(5,924,175)</u>	<u>359,766</u>	<u>6,283,941</u>
<b>Other Financing Sources/(Uses):</b>					
Operating Transfers Out:					
Transfers to Cover Deficit (Enterprise Fund)	(141,000)	1,230	(139,770)	(44,124)	95,646
<b>Total Other Financing Sources/(Uses):</b>	<u>(141,000)</u>	<u>1,230</u>	<u>(139,770)</u>	<u>(44,124)</u>	<u>95,646</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources</b>					
<b>Over (Under) Expenditures and Other Financing Sources (Uses)</b>	(6,063,945)		(6,063,945)	315,642	6,379,587
<b>Fund Balance, July 1</b>	<u>13,733,995</u>		<u>13,733,995</u>	<u>13,733,995</u>	
<b>Fund Balance, June 30</b>	<u>7,670,050</u>		<u>7,670,050</u>	<u>14,049,637</u>	<u>6,379,587</u>
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
<b>Adjustment for Prior Year Encumbrances</b>	(1,841,005)		(1,841,005)	(1,841,005)	
<b>Increase in Capital Reserve:</b>					
Principal				3,079,943	3,079,943
Interest Deposit to Capital Reserve	8,000		8,000	2,533	(5,467)
<b>Withdrawal from Capital Reserve</b>	(3,000,000)		(3,000,000)	(3,000,000)	
<b>Budgeted Fund Balance</b>	<u>(1,230,940)</u>		<u>(1,230,940)</u>	<u>2,074,171</u>	<u>3,305,111</u>
	<u>(6,063,945)</u>		<u>(6,063,945)</u>	<u>315,642</u>	<u>6,379,587</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Legally Restricted - Excess Surplus				1,035,825	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				1,039,416	
Capital Reserve				6,859,348	
Unemployment Compensation				334,469	
<b>Assigned Fund Balance:</b>					
Year-end Encumbrances				2,266,238	
Designated for Subsequent Year's Expenditures				1,334,864	
<b>Unassigned Fund Balance</b>				<u>1,179,477</u>	
<b>Total Fund Balance per Governmental Funds (Budgetary)</b>				14,049,637	
<b>Recapitulation to Governmental Fund Statement (GAAP):</b>					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>536,332</u>	
<b>Total Fund Balance per Governmental Funds (GAAP)</b>				<u>13,513,305</u>	



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2023**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	19,403	(2,345)	17,058	403,795	386,737 note 1
State Sources	218,616	74,923	293,539	293,452	(87)
Federal Sources	2,006,303	5,665,365	7,671,668	6,009,406	(1,662,262)
<b>Total Revenues</b>	<b>2,244,322</b>	<b>5,737,943</b>	<b>7,982,265</b>	<b>6,706,653</b>	<b>(1,275,612)</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	1,156,392	887,214	2,043,606	1,585,170	458,436
Other Salaries for Instruction	36,417	-	36,417	36,417	-
Purchased Professional and Technical Services	46,250	333,740	379,990	154,137	225,853
Other Purchased Services (400-500 series)	683,082	467,745	1,150,827	1,023,329	127,498
General Supplies	56,604	100,275	156,879	138,815	18,064
<b>Total Instruction</b>	<b>1,978,745</b>	<b>1,788,974</b>	<b>3,767,719</b>	<b>2,937,868</b>	<b>829,851</b>
<b>Support services:</b>					
Salaries of Supervisors of Instruction	85,450	34,699	120,149	97,145	23,004
Salaries of Program Directors	7,398	-	7,398	7,398	-
Salaries of Secretarial and Clerical Assistants	8,750	-	8,750	8,750	-
Other Salaries	14,652	-	14,652	14,652	-
Personal Services - Employee Benefits	27,816	148,697	176,513	34,842	141,671
Other Purchased Professional Services	79,529	713,703	793,232	393,422	399,810
Other Purchased Services (400-500 series)	14,279	23,711	37,990	19,776	18,214
Supplies & Materials	5,150	679,707	684,857	514,541	170,316
Other Objects	3,150	(3,150)	-	-	-
Student Activities	-	-	-	357,371	(357,371) note 1
<b>Total support services</b>	<b>246,174</b>	<b>1,597,367</b>	<b>1,843,541</b>	<b>1,447,897</b>	<b>395,644</b>
<b>Facilities acquisition and const. serv.:</b>					
Instructional Equipment	19,403	79,723	79,723	816	78,907
Noninstructional Equipment	-	2,271,879	2,291,282	2,290,706	576
<b>Total facilities acquisition and const. serv.</b>	<b>19,403</b>	<b>2,351,602</b>	<b>2,371,005</b>	<b>2,291,522</b>	<b>79,483</b>
Total Expenditures	2,244,322	5,737,943	7,982,265	6,677,287	1,304,978
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,366</b>	<b>29,366</b>
Fund Balance, July 1				201,109	
Fund Balance, June 30			\$ 230,475		
Recapitulation:					
Restricted:					
Student Activities			\$ 230,475		
Total Fund Balance			\$ 230,475		

note 1 Not required to budget for student activity or scholarship funds

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Note to Required Supplementary Information - Part II**  
**Fiscal Year Ended June 30, 2023**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

		General Fund	Special Revenue Fund
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]&[C-2]	67,352,290	6,706,653
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year			528,195
Current Year			(258,735)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		567,912	
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(536,332)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	67,383,870	6,976,113
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	66,992,524	6,677,287
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 <i>financial reporting</i> purposes.			
Prior Year			528,195
Current Year			(258,735)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	66,992,524	6,946,747

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART III**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - PERS**  
*Last 10 Fiscal Years\**

Fiscal Year Ending June 30,	District's	District's	District's	District's	District's	Plan Fiduciary
	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll - PERS Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of the Total Pension Liability	Net Position as a Percentage of the Total Pension Liability
2015	0.0543352543%	\$ 10,173,046	\$ 4,000,517	254.29%	52.08%	
2016	0.0545073473%	12,235,807	3,424,541	357.30%	52.07%	
2017	0.0515009406%	15,253,101	3,433,088	444.30%	59.86%	
2018	0.0487524088%	11,348,782	3,568,969	317.98%	51.90%	
2019	0.0504385900%	9,931,107	3,477,249	285.60%	46.40%	
2020	0.0506286880%	9,122,522	3,571,606	255.42%	43.43%	
2021	0.0485842326%	7,922,818	3,292,992	240.60%	41.35%	
2022	0.0481325412%	5,702,021	3,754,583	151.87%	29.35%	
2023	0.0481438446%	7,265,569	3,874,600	187.52%	36.78%	

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Contributions - PERS**  
*Last 10 Fiscal Years\**

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relations to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered-Employee Payroll	Contributions as a Percentage of PERS Covered-Employee Payroll
	\$			\$			
2015	\$ 447,932	\$	(447,932)	\$ -	\$ 4,000,517	11.20%	
2016	468,617		(468,617)	-	3,424,541	13.68%	
2017	457,527		(457,527)	-	3,433,088	13.33%	
2018	451,639		(451,639)	-	3,568,969	12.65%	
2019	501,701		(501,701)	-	3,477,249	14.43%	
2020	492,468		(492,468)	-	3,571,606	13.79%	
2021	531,487		(531,487)	-	3,292,992	16.14%	
2022	563,688		(563,688)	-	3,754,583	15.01%	
2023	607,117		(607,117)	-	3,874,600	15.67%	

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - TPAF**  
*Last 10 Fiscal Years\**

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payroll - TPAF Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.1806634861%	\$ -	\$ 96,558,753	18,509,605	0.00%	33.64%
2016	0.1784512921%	-	112,788,837	18,203,062	0.00%	28.71%
2017	0.1843280061%	-	145,004,146	20,189,243	0.00%	22.33%
2018	0.1867755745%	-	125,930,827	20,466,136	0.00%	25.41%
2019	0.1839927387%	-	117,052,228	20,684,815	0.00%	26.49%
2020	0.1954902878%	-	119,974,235	21,808,695	0.00%	26.95%
2021	0.1969959656%	-	129,719,473	23,543,699	0.00%	24.60%
2022	0.1884053909%	-	90,576,247	23,997,553	0.00%	35.52%
2023	0.1959715961%	-	101,110,400	24,743,065	0.00%	32.29%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Note to Required Schedules of Supplementary Information - Part III**  
**Fiscal Year Ended June 30, 2023**

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

None

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

None

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedule of Required Supplementary Information**  
**Schedule of Changes in the District's Proportionate Share of the State OPEB Liability**  
*Last 10 Fiscal Years\**

	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Service Costs	\$ 4,521,000	\$ 5,560,217	\$ 3,134,996	\$ 2,846,638	\$ 3,138,459	\$ 3,786,116
Interest on Total OPEB Liability	2,050,180	2,350,092	2,254,540	2,685,551	2,966,247	2,551,818
Changes of Benefit Terms		(96,426)				
Differences between Expected and Actual Experiences	2,916,021	(19,316,486)	19,051,294	(9,922,855)	(9,737,707)	
Changes in Assumptions	(20,753,066)	89,377	18,960,309	926,647	(7,741,864)	(10,603,354)
Gross Benefit Payments	(2,030,764)	(1,851,214)	(1,807,036)	(1,907,790)	(1,803,971)	(1,866,422)
Contribution from the Member	65,148	60,080	54,771	56,552	62,348	68,726
<b>Net Changes in total Share of OPEB Liability</b>	<b>(13,231,481)</b>	<b>(13,204,360)</b>	<b>41,648,874</b>	<b>(5,315,257)</b>	<b>(13,116,488)</b>	<b>(6,063,116)</b>
<b>Total OPEB Liability - Beginning</b>	<b>90,593,538</b>	<b>103,797,898</b>	<b>62,149,024</b>	<b>67,464,281</b>	<b>80,580,769</b>	<b>86,643,885</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 77,362,057</b>	<b>\$ 90,593,538</b>	<b>\$ 103,797,898</b>	<b>\$ 62,149,024</b>	<b>\$ 67,464,281</b>	<b>\$ 80,580,769</b>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	77,362,057	90,593,538	103,797,898	62,149,024	67,464,281	80,580,769
Total OPEB Liability - Ending	\$ 77,362,057	\$ 90,593,538	\$ 103,797,898	\$ 62,149,024	\$ 67,464,281	\$ 80,580,769
District's Covered Employee Payroll	\$ 28,617,665	\$ 27,752,136	\$ 26,836,691	\$ 25,380,301	\$ 24,162,064	\$ 24,035,105
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%

**Notes to Schedule:**

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

Change in benefit terms      Decrease in liability due to employers adopting provisions of Chapter 44.

Change in assumptions      Assumptions used in calculating the OPEB liability are presented in Note 9.

\* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.



**Other Supplementary Information**

**SPECIAL REVENUE FUND**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 Fiscal Year Ended June 30, 2023

	Total Brought Forward (Ex. E-1a)	IDEA Part - B Basic	IDEA Part - B Preschool	ARP-IDEA Part - B Basic	ARP-IDEA Part - B Preschool	ESEA Title I	Totals 2023
<b>REVENUES</b>							
Local Sources	403,795						403,795
State Sources	293,452						293,452
Federal Sources	4,352,173	709,897	20,833	165,840	14,079	746,584	6,009,406
<b>Total Revenues</b>	<b>5,049,420</b>	<b>709,897</b>	<b>20,833</b>	<b>165,840</b>	<b>14,079</b>	<b>746,584</b>	<b>6,706,653</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	895,372					689,798	1,585,170
Other Salaries for Instruction	36,417						36,417
Purchased Professional and Technical Services	154,137						154,137
Other Purchased Services (400-500 series)	235,168	709,897	16,524	61,740			1,023,329
General Supplies	91,173		4,309			43,333	138,815
<b>Total instruction</b>	<b>1,412,267</b>	<b>709,897</b>	<b>20,833</b>	<b>61,740</b>	<b>-</b>	<b>733,131</b>	<b>2,937,868</b>
<b>Support services:</b>							
Salaries of Supervisors of Instruction	92,145					5,000	97,145
Salaries of Program Directors	7,398						7,398
Salaries of Secretarial and Clerical Assistants	8,750						8,750
Other Salaries	14,652						14,652
Personal Services - Employee Benefits	34,842						34,842
Other Purchased Professional Services	271,793			104,100	14,079	3,450	393,422
Other Purchased Services (400-500 series)	14,773					5,003	19,776
Supplies & Materials	514,541						514,541
Student Activities	357,371						357,371
<b>Total support services</b>	<b>1,316,265</b>	<b>-</b>	<b>-</b>	<b>104,100</b>	<b>14,079</b>	<b>13,453</b>	<b>1,447,897</b>
<b>Facilities acquisition and const. serv.:</b>							
Instructional Equipment	816						816
Noninstructional Equipment	2,290,706						2,290,706
<b>Total facilities acquisition and const. serv.</b>	<b>2,291,522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,291,522</b>
<b>Total Expenditures</b>	<b>5,020,054</b>	<b>709,897</b>	<b>20,833</b>	<b>165,840</b>	<b>14,079</b>	<b>746,584</b>	<b>6,677,287</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>29,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,366</b>
Fund Balance, July 1	201,109						201,109
Fund Balance, June 30	230,475						230,475

**CLIFFSIDE PARK BOARD OF EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 Fiscal Year Ended June 30, 2023

	Total Brought Forward (Ex. E-1b)	ESEA Title I SIA	ESEA Title II, Part A Training & Recruiting	ESEA Title III	ESEA Title III Immigrant	21st Century Community Learning	Total Carried Forward
<b>REVENUES</b>							
Local Sources	403,795						403,795
State Sources	293,452						293,452
Federal Sources	3,566,777	21,600	107,674	90,075	23,999	542,048	4,352,173
<b>Total Revenues</b>	<b>4,264,024</b>	<b>21,600</b>	<b>107,674</b>	<b>90,075</b>	<b>23,999</b>	<b>542,048</b>	<b>5,049,420</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	327,051		102,844	74,723	23,999	366,755	895,372
Other Salaries for Instruction	36,417						36,417
Purchased Professional and Technical Services	132,537	21,600				1,668	154,137
Other Purchased Services (400-500 series)	233,500			5,409		11,123	235,168
General Supplies	74,641						91,173
<b>Total instruction</b>	<b>804,146</b>	<b>21,600</b>	<b>102,844</b>	<b>80,132</b>	<b>23,999</b>	<b>379,546</b>	<b>1,412,267</b>
<b>Support services:</b>							
Salaries of Supervisors of Instruction	7,185					84,960	92,145
Salaries of Program Directors	7,398						7,398
Salaries of Secretarial and Clerical Assistants	8,750						8,750
Other Salaries	14,652						14,652
Personal Services - Employee Benefits	-					34,842	34,842
Other Purchased Professional Services	229,093		4,830	9,943		42,700	271,793
Other Purchased Services (400-500 series)	-						14,773
Supplies & Materials	514,541						514,541
Student Activities	357,371						357,371
<b>Total support services</b>	<b>1,138,990</b>	<b>-</b>	<b>4,830</b>	<b>9,943</b>	<b>-</b>	<b>162,502</b>	<b>1,316,265</b>
<b>Facilities acquisition and const. serv.:</b>							
Instructional Equipment	816						816
Noninstructional Equipment	2,290,706						2,290,706
<b>Total facilities acquisition and const. serv.</b>	<b>2,291,522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,291,522</b>
<b>Total Expenditures</b>	<b>4,234,658</b>	<b>21,600</b>	<b>107,674</b>	<b>90,075</b>	<b>23,999</b>	<b>542,048</b>	<b>5,020,054</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>29,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,366</b>
Fund Balance, July 1	201,109						201,109
Fund Balance, June 30	230,475						230,475

**CLIFFSIDE PARK BOARD OF EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 Fiscal Year Ended June 30, 2023

	Total Brought Forward (Ex. E-1c)	CRBSA - ESSER II	CR-Mental Health	ARP-ESSER	ARP-Accelerated Learning Coach and Educator Support	ARP-Evidence Based Summer Learning and Enrichment	Total Carried Forward
<b>REVENUES</b>							
Local Sources	403,795						403,795
State Sources	293,452						293,452
Federal Sources	22,507	462,838	13,843	3,032,169	34,640	780	3,566,777
<b>Total Revenues</b>	<b>719,754</b>	<b>462,838</b>	<b>13,843</b>	<b>3,032,169</b>	<b>34,640</b>	<b>780</b>	<b>4,264,024</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	173,216	151,242		1,813		780	327,051
Other Salaries for Instruction	36,417						36,417
Purchased Professional and Technical Services	-	97,897			34,640		132,537
Other Purchased Services (400-500 series)	-	10,997		222,503			233,500
General Supplies	1,188			73,453			74,641
<b>Total instruction</b>	<b>210,821</b>	<b>260,136</b>	<b>-</b>	<b>297,769</b>	<b>34,640</b>	<b>780</b>	<b>804,146</b>
<b>Support services:</b>							
Salaries of Supervisors of Instruction	690	2,702		3,793			7,185
Salaries of Program Directors	7,398						7,398
Salaries of Secretarial and Clerical Assistants	8,750						8,750
Other Salaries	14,652						14,652
Personal Services - Employee Benefits	-		13,843	215,250			-
Other Purchased Professional Services	-						-
Other Purchased Services (400-500 series)	-	200,000		314,541			514,541
Supplies & Materials	-						-
Student Activities	357,371						357,371
<b>Total support services</b>	<b>388,861</b>	<b>202,702</b>	<b>13,843</b>	<b>533,584</b>	<b>-</b>	<b>-</b>	<b>1,138,990</b>
<b>Facilities acquisition and const. serv.:</b>							
Instructional Equipment				816			816
Noninstructional Equipment	90,706			2,200,000			2,290,706
<b>Total facilities acquisition and const. serv.</b>	<b>90,706</b>	<b>-</b>	<b>-</b>	<b>2,200,816</b>	<b>-</b>	<b>-</b>	<b>2,291,522</b>
<b>Total Expenditures</b>	<b>690,388</b>	<b>462,838</b>	<b>13,843</b>	<b>3,032,169</b>	<b>34,640</b>	<b>780</b>	<b>4,234,658</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>29,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,366</b>
Fund Balance, July 1	201,109						201,109
Fund Balance, June 30	230,475	-	-	-	-	-	230,475

**CLIFFSIDE PARK BOARD OF EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 Fiscal Year Ended June 30, 2023

	Total Brought Forward (Ex. E-1d)	ARP- Evidence Based					Non Public Technology	Non Public Textbooks	Total Carried Forward
		Comprehensive Beyond the School Day	ARP- Homeless II	Non Public Nursing	Non Public Security Aid	Non Public			
<b>REVENUES</b>									
Local Sources	403,795							403,795	
State Sources	292,264	21,817	690	315	615	85	173	293,452	
Federal Sources	-							22,507	
<b>Total Revenues</b>	<b>696,059</b>	<b>21,817</b>	<b>690</b>	<b>315</b>	<b>615</b>	<b>85</b>	<b>173</b>	<b>719,754</b>	
<b>EXPENDITURES:</b>									
<b>Instruction:</b>									
Salaries of Teachers	151,399	21,817						173,216	
Other Salaries for Instruction	36,417							36,417	
Purchased Professional and Technical Services	-							-	
Other Purchased Services (400-500 series)	-							-	
General Supplies	-			315	615	85	173	1,188	
<b>Total instruction</b>	<b>187,816</b>	<b>21,817</b>	<b>-</b>	<b>315</b>	<b>615</b>	<b>85</b>	<b>173</b>	<b>210,821</b>	
<b>Support services:</b>									
Salaries of Supervisors of Instruction	-		690					690	
Salaries of Program Directors	7,398							7,398	
Salaries of Secretarial and Clerical Assistants	8,750							8,750	
Other Salaries	14,652							14,652	
Personal Services - Employee Benefits	-							-	
Other Purchased Professional Services	-							-	
Other Purchased Services (400-500 series)	-							-	
Supplies & Materials	-							-	
Student Activities	357,371							357,371	
<b>Total support services</b>	<b>388,171</b>	<b>-</b>	<b>690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>388,861</b>	
<b>Facilities acquisition and const. serv.:</b>									
Instructional Equipment	-							-	
Noninstructional Equipment	90,706							90,706	
<b>Total facilities acquisition and const. serv.</b>	<b>90,706</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,706</b>	
<b>Total Expenditures</b>	<b>666,693</b>	<b>21,817</b>	<b>690</b>	<b>315</b>	<b>615</b>	<b>85</b>	<b>173</b>	<b>690,388</b>	
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>29,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,366</b>	
Fund Balance, July 1	201,109							201,109	
Fund Balance, June 30	230,475	-	-	-	-	-	-	230,475	

**CLIFFSIDE PARK BOARD OF EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 Fiscal Year Ended June 30, 2023

	Total Brought Forward (Ex. E-1e)	SDA			Student Activity Accounts			Total Carried Forward
		Emergent Needs and Capital Maintenance	Preschool Education Aid	NJSBAIG Safety Grant	School #3	School #4		
<b>REVENUES</b>								
Local Sources	344,673			17,058			5,090	403,795
State Sources	-	73,648	218,616					292,264
Federal Sources	-							-
<b>Total Revenues</b>	<b>344,673</b>	<b>73,648</b>	<b>218,616</b>	<b>17,058</b>	<b>5,090</b>	<b>36,974</b>	<b>696,059</b>	
<b>EXPENDITURES:</b>								
<b>Instruction:</b>								
Salaries of Teachers	-		151,399					151,399
Other Salaries for Instruction	-		36,417					36,417
Purchased Professional and Technical Services	-							-
Other Purchased Services (400-500 series)	-							-
General Supplies	-							-
<b>Total instruction</b>	<b>-</b>	<b>-</b>	<b>187,816</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187,816</b>
<b>Support services:</b>								
Salaries of Supervisors of Instruction	-							-
Salaries of Program Directors	-		7,398					7,398
Salaries of Secretarial and Clerical Assistants	-		8,750					8,750
Other Salaries	-		14,652					14,652
Personal Services - Employee Benefits	-							-
Other Purchased Professional Services	-							-
Other Purchased Services (400-500 series)	-							-
Supplies & Materials	-							-
Student Activities	315,627				5,172		36,572	357,371
<b>Total support services</b>	<b>315,627</b>	<b>-</b>	<b>30,800</b>	<b>-</b>	<b>5,172</b>	<b>36,572</b>	<b>388,171</b>	
<b>Facilities acquisition and const. serv.:</b>								
Instructional Equipment	-	73,648						90,706
Noninstructional Equipment	-							-
<b>Total facilities acquisition and const. serv.</b>	<b>-</b>	<b>73,648</b>	<b>-</b>	<b>17,058</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,706</b>
<b>Total Expenditures</b>	<b>315,627</b>	<b>73,648</b>	<b>218,616</b>	<b>17,058</b>	<b>5,172</b>	<b>36,572</b>	<b>666,693</b>	
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>29,046</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(82)</b>	<b>402</b>	<b>29,366</b>	
Fund Balance, July 1	191,535				7,458	2,116	201,109	
Fund Balance, June 30	220,581	-	-	-	7,376	2,518	230,475	

**CLIFFSIDE PARK BOARD OF EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 Fiscal Year Ended June 30, 2023

	Student Activity Accounts						Total Carried Forward
	School #5	School #6	Middle School	High School	Athletic Account	Project Graduation	
<b>REVENUES</b>							
Local Sources	12,443	12,913	15,758	221,316	51,678	30,565	344,673
State Sources	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>12,443</b>	<b>12,913</b>	<b>15,758</b>	<b>221,316</b>	<b>51,678</b>	<b>30,565</b>	<b>344,673</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	-	-	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-	-
<b>Total instruction</b>	-	-	-	-	-	-	-
<b>Support services:</b>							
Salaries of Supervisors of Instruction	-	-	-	-	-	-	-
Salaries of Program Directors	-	-	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
Supplies & Materials	-	-	-	-	-	-	-
Student Activities	12,204	13,107	15,726	180,105	60,298	34,187	315,627
<b>Total support services</b>	<b>12,204</b>	<b>13,107</b>	<b>15,726</b>	<b>180,105</b>	<b>60,298</b>	<b>34,187</b>	<b>315,627</b>
<b>Facilities acquisition and const. serv.:</b>							
Instructional Equipment	-	-	-	-	-	-	-
Noninstructional Equipment	-	-	-	-	-	-	-
<b>Total facilities acquisition and const. serv.</b>	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>12,204</b>	<b>13,107</b>	<b>15,726</b>	<b>180,105</b>	<b>60,298</b>	<b>34,187</b>	<b>315,627</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	239	(194)	32	41,211	(8,620)	(3,622)	29,046
Fund Balance, July 1	7,652	7,823	2,889	122,064	33,436	17,671	191,535
Fund Balance, June 30	7,891	7,629	2,921	163,275	24,816	14,049	220,581



**CLIFFSIDE PARK BOARD OF EDUCATION  
 Special Revenue Fund  
 Schedule of Preschool Education Aid  
 Budgetary Basis  
 Fiscal Year Ended June 30, 2023**

	<b>District Wide Total</b>		
	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
<b>Expenditures:</b>			
<b>Instruction:</b>			
Salaries of teachers	151,399	151,399	
Other salaries for instruction	36,417	36,417	
<b>Total instruction</b>	<b>187,816</b>	<b>187,816</b>	
<b>Support services:</b>			
Salaries of Program Directors	7,398	7,398	
Salaries of Secr. and Clerical Assistants	8,750	8,750	
Other Salaries	14,652	14,652	
<b>Total support services</b>	<b>30,800</b>	<b>30,800</b>	
<b>Total expenditures</b>	<b>218,616</b>	<b>218,616</b>	

**Summary of Location Totals**

Total revised 2022-23 Preschool Education Aid	218,616
Add: Actual Preschool Education Aid Carryover (June 30, 2022)	
Add: Budgeted Transfer from the General Fund 2022-23	
Total Preschool Education Aid Funds Available for 2022-23 Budget	218,616
Less: 2022-23 Budgeted Preschool Education Aid (prior year budgeted carryover)	218,616
Available & Unbudgeted Preschool Educaiton Aid Funds as of June 30, 2023	
Add: June 30, 2023 Unexpended Preschool Education Aid 2022-23 Carryover - Preschool Education Aid/Preschool	

**PROPRIETARY FUNDS**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	355,266	38,293	393,559
Accounts receivable:			
State	2,432		2,432
Federal	67,213		67,213
Inventories	28,774		28,774
Total current assets	453,685	38,293	491,978
Noncurrent assets:			
Capital assets:			
Equipment	340,944	16,460	357,404
Less accumulated depreciation	(185,165)	(9,876)	(195,041)
Total capital assets (net of accumulated depreciation)	155,779	6,584	162,363
Total assets	609,464	44,877	654,341
Current Liabilities:			
Interfunds Payable	164,162		164,162
Accounts Payable	5,800		5,800
Total Liabilities	169,962	-	169,962
<b>NET POSITION</b>			
Invested in capital assets	155,779	6,584	162,363
Unrestricted	283,723	38,293	322,016
Total net position	439,502	44,877	484,379

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2023**

	<b>Business-type Activities - Enterprise Fund</b>		<b>Totals</b>
	<b>Food Service Program</b>	<b>After School Program</b>	
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	298,873		298,873
Daily sales - non-reimbursable programs	166,157		166,157
Program fees		156,839	156,839
Total operating revenues	<u>465,030</u>	<u>156,839</u>	<u>621,869</u>
Operating expenses:			
Cost of food - reimbursable programs	358,256		358,256
Cost of food - non-reimbursable programs	303,140		303,140
Salaries	822,026	154,037	976,063
Employee benefits	198,362		198,362
Supplies and materials	38,659		38,659
Purchased services	68,321		68,321
Depreciation expense	25,014	3,292	28,306
Repairs and other expenses	65,960	33,261	99,221
Total Operating Expenses	<u>1,879,738</u>	<u>190,590</u>	<u>2,070,328</u>
Operating income (loss)	<u>(1,414,708)</u>	<u>(33,751)</u>	<u>(1,448,459)</u>
Nonoperating revenues (expenses):			
State sources:			
School lunch program	26,274		26,274
Breakfast program	3,516		3,516
Breakfast after the bell program	7,220		7,220
Federal sources:			
National school lunch program	748,809		748,809
Snack program	40,151		40,151
Breakfast program	193,809		193,809
Supply Chain Assistance Funding	127,440		127,440
Local Food for Schools Cooperative Agreement Program	248		248
School Equipment Grant	5,020		5,020
U.S.D.A. Commodities	78,926		78,926
Total nonoperating revenues (expenses)	<u>1,231,413</u>	<u>-</u>	<u>1,231,413</u>
Income (loss) before contributions & transfers	<u>(183,295)</u>	<u>(33,751)</u>	<u>(217,046)</u>
Other financing sources/(uses):			
Fixed Asset Retired Prior to Full Depreciation	(2,700)		(2,700)
Transfer In	44,124		44,124
Change in net assets	<u>(141,871)</u>	<u>(33,751)</u>	<u>(175,622)</u>
Total net position—beginning	<u>581,373</u>	<u>78,628</u>	<u>660,001</u>
Total net position—ending	<u><u>439,502</u></u>	<u><u>44,877</u></u>	<u><u>484,379</u></u>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2023**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	470,780	156,839	627,619
Payments to suppliers	(1,758,544)	(187,298)	(1,945,842)
Net cash provided by (used for) operating activities	(1,287,764)	(30,459)	(1,318,223)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
State Sources	36,920		36,920
Federal Sources	1,197,050		1,197,050
Board Contribution	44,124		44,124
Net cash provided by (used for) non-capital financing activities	1,278,094	-	1,278,094
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(41,315)		(41,315)
Net cash provided by (used for) capital and related financing activities	(41,315)	-	(41,315)
Net increase (decrease) in cash and cash equivalents	(50,985)	(30,459)	(81,444)
Balances—beginning of year	406,251	68,752	475,003
Balances—end of year	355,266	38,293	393,559
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	(1,414,708)	(33,751)	(1,448,459)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	25,014	3,292	28,306
Food Distribution Program	78,926		78,926
Increase (decrease) in interfunds	108,033		108,033
(Increase) decrease in inventories	(9,393)		(9,393)
Increase (decrease) in accounts payable	(75,636)		(75,636)
Total adjustments	(1,287,764)	(30,459)	(1,318,223)
Net cash provided by (used for) operating activities	(1,287,764)	(30,459)	(1,318,223)

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

**LONG-TERM DEBT**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**General Long-Term Debt Account Group**  
**Schedule of Capital Leases Payable**  
**Fiscal Year Ended June 30, 2023**

<u>Issue</u>	<u>Amount of</u> <u>Loan</u>	<u>Principal Payment</u> <u>Date</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Balance,</u> <u>June 30,</u> <u>2022</u>	<u>Retired</u>
Desktop Computers	27,200			\$ 9,059	9,059
				\$ 9,059	9,059

**STATISTICAL SECTION**



# STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

## J SERIES

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	<b>J-1 to J-5</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	<b>J-6 to J-9</b>
<b>Debt Capacity</b> 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.	<b>J-10 to J-13</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	<b>J-14 to J-15</b>
<b>Operating Information</b> 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.	<b>J-16 to J-20</b>
<b>Sources:</b> Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.	

## STATISTICAL SECTION (UNAUDITED)

### **Introduction to the Statistical Section**

### **Financial Trends**

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

### **Revenue Capacity**

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

### **Debt Capacity**

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
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### **Demographic and Economic Information**

- J-14 Demographic and Economic Statistics
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### **Operating Information**

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information\*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2014	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 4,723,841	\$ 5,979,075	\$ 6,199,408	\$ 6,838,827	\$ 8,009,191	\$ 9,723,576	\$ 9,777,608	\$ 10,868,227	\$ 17,655,728	\$ 16,972,089
Restricted	7,909,736	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371	11,423,811	13,100,635
Unrestricted	(722,861)	(10,050,627)	(11,286,040)	(12,025,401)	(11,877,092)	(11,884,642)	(11,709,939)	(9,709,927)	(13,855,126)	(10,429,427)
<b>Total governmental activities net position</b>	<b>\$ 11,910,716</b>	<b>\$ 3,133,408</b>	<b>\$ 3,484,498</b>	<b>\$ 3,491,529</b>	<b>\$ 3,802,756</b>	<b>\$ 4,754,094</b>	<b>\$ 4,713,449</b>	<b>\$ 9,027,671</b>	<b>\$ 15,224,413</b>	<b>\$ 19,643,297</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 13,566	\$ 3,257	\$ 30,958	\$ 36,569	\$ 36,946	\$ 107,659	\$ 114,879	\$ 142,237	\$ 152,054	\$ 162,363
Restricted										
Unrestricted	296,366	161,956	(92,460)	128,584	178,239	185,901	424,260	319,379	507,947	322,016
<b>Total business-type activities net position</b>	<b>\$ 309,932</b>	<b>\$ 165,213</b>	<b>\$ (61,502)</b>	<b>\$ 165,153</b>	<b>\$ 215,185</b>	<b>\$ 293,560</b>	<b>\$ 539,139</b>	<b>\$ 461,616</b>	<b>\$ 660,001</b>	<b>\$ 484,379</b>
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 4,737,407	\$ 5,982,332	\$ 6,230,366	\$ 6,875,396	\$ 8,046,137	\$ 9,831,235	\$ 9,892,487	\$ 11,010,464	\$ 17,807,782	\$ 17,134,452
Restricted	7,909,736	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371	11,423,811	13,100,635
Unrestricted	(426,495)	(9,888,671)	(11,378,500)	(11,896,817)	(11,698,853)	(11,698,741)	(11,285,679)	(9,390,548)	(13,347,179)	(10,107,411)
<b>Total district net position</b>	<b>\$ 12,220,648</b>	<b>\$ 3,298,621</b>	<b>\$ 3,422,996</b>	<b>\$ 3,656,682</b>	<b>\$ 4,017,941</b>	<b>\$ 5,047,654</b>	<b>\$ 5,252,588</b>	<b>\$ 9,489,287</b>	<b>\$ 15,884,414</b>	<b>\$ 20,127,676</b>

Source: ACFR Exhibit A-1

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 17,227,778	\$ 20,167,606	\$ 20,959,736	\$ 25,503,214	\$ 23,830,560	\$ 21,032,634	\$ 21,227,391	\$ 21,334,938	\$ 17,583,323	\$ 18,139,759
Special education	6,063,910	7,225,713	7,677,281	6,199,552	6,405,279	8,649,824	9,207,827	9,558,558	8,261,581	8,765,710
Other special education	973,023	975,861	1,132,610	1,427,089	1,702,727	1,666,513	1,639,113	1,516,620	1,208,847	1,282,852
Other instruction	787,487	877,419	874,743	1,088,113	1,019,296	992,732	1,017,733	935,429	723,936	911,493
Support Services:										
Tuition	2,412,564	2,342,048	2,632,974	2,762,927	2,885,875	3,278,780	3,007,701	3,196,468	2,660,617	3,338,095
Health services				831,315	893,825	553,126	557,312	590,569	473,331	491,643
Student & instruction related services	5,056,961	5,569,956	5,751,694	5,926,093	6,762,833	6,029,123	5,874,727	6,591,948	6,067,051	7,020,750
General administrative services	1,200,572	1,021,223	1,320,318	1,371,211	1,283,939	2,236,374	1,267,315	1,249,815	1,256,010	1,245,647
School administrative services	1,741,387	1,903,573	2,071,241	2,166,455	2,140,242	1,314,026	2,339,403	2,368,883	2,162,941	2,193,783
Central services and administrative information technology	901,454	822,333	1,330,507	1,322,446	1,304,985	1,299,763	1,305,626	1,287,000	1,198,158	1,199,057
Plant operations and maintenance	2,424,064	2,779,899	2,885,143	3,252,771	3,219,844	3,253,497	3,251,822	3,388,335	2,871,226	3,155,539
Pupil transportation	1,217,939	1,375,200	1,678,321	2,092,611	2,205,590	2,279,702	2,296,260	2,057,436	2,081,975	2,629,370
Unallocated Benefits	3,387,615	3,884,814	4,756,207	6,212,337	9,433,622	8,598,819	7,424,493	12,464,560	14,354,825	12,133,877
Charter Schools	48,351	76,578	81,329	41,985	18,992	23,013	21,757	37,512	52,670	45,358
Interest on long-term debt	98,004	85,877	58,601	61,271	42,375	24,010	5,146	5,146	499,797	94,438
Unallocated depreciation/amortization	177,519	328,040	230,694	263,594	263,594	394,086	396,350	486,272	1,688,926	1,688,926
Capital Outlay - nondepreciable	1,408,966	11,275	1,363,294	531,400	497,034	704,826	2,595,660	698,995	801,615	325,609
Total governmental activities expenses	45,127,594	49,447,415	54,804,693	61,054,384	63,910,612	62,331,848	63,435,636	67,763,338	62,257,903	64,661,906
Business-type activities:										
Food service	1,904,767	1,712,554	1,703,223	1,815,217	1,798,808	1,784,140	1,664,282	1,285,310	1,893,226	1,879,738
After School Program	178,120	198,828	265,421	232,953	342,275	283,817	121,024	69,431	132,233	190,590
Total business-type activities expense	2,082,887	1,911,382	1,968,644	2,048,170	2,141,083	2,067,957	1,785,306	1,354,741	2,025,459	2,070,328
Total district expenses	\$ 47,210,481	\$ 51,358,797	\$ 56,773,337	\$ 63,102,554	\$ 66,051,695	\$ 64,399,805	\$ 65,220,942	\$ 69,118,079	\$ 64,283,362	\$ 66,732,234
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Student & instruction related services								\$ 207,611	\$ 387,535	\$ 386,737
Operating grants and contributions	2,042,296	2,263,066	2,276,459	2,326,016	2,072,330	2,285,902	2,395,627	3,204,676	3,259,071	4,325,511
Total governmental activities program revenues	2,042,296	2,263,066	2,276,459	2,326,016	2,072,330	2,285,902	2,395,627	3,412,287	3,646,606	4,712,248

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Business-type activities:</b>										
Charges for services										
Food service	868,831	548,487	554,327	555,377	562,793	604,414	424,307	19,927	155,164	465,030
After School Program	200,381	240,211	240,296	226,355	345,616	285,877	135,825	57,719	159,668	156,839
Operating grants and contributions	935,822	977,965	947,306	1,016,998	1,030,771	1,053,861	1,142,808	1,199,572	1,902,879	1,231,413
Total business type activities program revenues	2,005,034	1,766,663	1,741,929	1,798,730	1,939,180	1,944,152	1,702,940	1,277,218	2,217,711	1,853,282
Total district program revenues	\$ 4,047,330	\$ 4,029,729	\$ 4,018,388	\$ 4,124,746	\$ 4,011,510	\$ 4,230,054	\$ 4,098,567	\$ 4,689,505	\$ 5,864,317	\$ 6,565,530
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (43,085,298)	\$ (47,184,349)	\$ (52,528,234)	\$ (58,728,368)	\$ (61,838,282)	\$ (60,045,946)	\$ (61,040,009)	\$ (64,351,051)	\$ (58,611,297)	\$ (59,949,658)
Business-type activities	(77,853)	(144,719)	(226,715)	(249,440)	(201,903)	(123,805)	(82,366)	(77,523)	192,252	(217,046)
Total district-wide net expense	\$ (43,163,151)	\$ (47,329,068)	\$ (52,754,949)	\$ (58,977,808)	\$ (62,040,185)	\$ (60,169,751)	\$ (61,122,375)	\$ (64,428,574)	\$ (58,419,045)	\$ (60,166,704)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 28,988,330	\$ 29,753,765	\$ 30,907,252	\$ 31,827,901	\$ 32,879,872	\$ 34,180,255	\$ 35,225,237	\$ 36,270,179	\$ 36,995,583	\$ 37,735,495
Taxes levied for debt service	423,870	421,929	414,688	378,762	402,120	393,958	385,303			
Tuition	5,626,526	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082	8,369,899	8,717,987	8,842,427
Federal and State Aid - Restricted										
Federal and State Aid - Not Restricted	7,355,462	12,149,173	14,041,339	18,332,258	19,950,875	17,092,170	16,354,589	22,359,394	17,215,569	14,474,704
Federal and State Aid - Capital Outlay		24,102	-	-	-	-	-	112,349	660,106	2,235,124
Local Aid - Capital Outlay	-	16,526	16,526	21,931	13,478	20,584	24,865	24,446	7,720	28,741
Miscellaneous income	471,823	569,869	772,411	906,559	1,175,087	1,030,155	951,233	999,859	1,217,207	1,096,175
Other Financing Sources/(Uses)				(476,095)	(251,935)	(202,180)	(327,945)		(6,133)	(44,124)
Total governmental activities	42,866,011	48,888,176	52,879,324	58,735,399	62,149,509	60,997,284	60,999,364	68,136,126	64,808,039	64,368,542
Business-type activities:										
Other Financing Sources/(Uses)				476,095	251,935	202,180	327,945		6,133	41,424
Total business-type activities	-	-	-	476,095	251,935	202,180	327,945	-	6,133	41,424
Total district-wide	\$ 42,866,011	\$ 48,888,176	\$ 52,879,324	\$ 59,211,494	\$ 62,401,444	\$ 61,199,464	\$ 61,327,309	\$ 68,136,126	\$ 64,814,172	\$ 64,409,966
<b>Change in Net Position</b>										
Governmental activities	\$ (219,287)	\$ 1,703,827	\$ 351,090	\$ 7,031	\$ 311,227	\$ 951,338	\$ (40,645)	\$ 3,785,075	\$ 6,196,742	\$ 4,418,884
Business-type activities	(77,853)	(144,719)	(226,715)	226,655	50,032	78,375	245,579	(77,523)	198,385	(175,622)
Total district	\$ (297,140)	\$ 1,559,108	\$ 124,375	\$ 233,686	\$ 361,259	\$ 1,029,713	\$ 204,934	\$ 3,707,552	\$ 6,395,127	\$ 4,243,262

Source: ACFR Exhibit A-2

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Restricted	7,173,451	7,173,935	7,482,218	7,028,251	7,131,731	6,281,600	5,234,616	6,871,018	9,179,245	9,269,058
Assigned	633,921	1,186,625	1,057,887	1,649,851	538,925	633,559	1,411,164	688,897	2,043,457	3,601,102
Unassigned	616,387	577,134	610,508	761,080	779,165	725,636	537,693	1,972,782	1,943,381	643,145
<b>Total general fund</b>	<b>\$ 8,423,759</b>	<b>\$ 8,937,694</b>	<b>\$ 9,150,613</b>	<b>\$ 9,439,182</b>	<b>\$ 8,449,821</b>	<b>\$ 7,640,795</b>	<b>\$ 7,183,473</b>	<b>\$ 9,532,697</b>	<b>\$ 13,166,083</b>	<b>\$ 13,513,305</b>
<b>All Other Governmental Funds</b>										
Restricted, reported in:										
Special revenue fund										
Assigned, reported in:										
Capital projects fund	111,698							169,675	201,109	230,475
Debt service fund	1	31,025	31,025	1	1	1		139,781		
<b>Total all other governmental funds</b>	<b>\$ 111,699</b>	<b>\$ 31,025</b>	<b>\$ 31,025</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 309,456</b>	<b>\$ 201,109</b>	<b>\$ 230,475</b>

Source: ACFR Exhibit B-1

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Tax levy	\$ 29,412,200	\$ 30,175,694	\$ 31,321,940	\$ 32,206,663	\$ 33,281,992	\$ 34,574,213	\$ 35,610,540	\$ 36,270,179	\$ 36,995,583	\$ 37,735,495
Tuition	5,626,526	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082	8,369,899	8,717,987	8,842,427
Miscellaneous	471,823	569,869	788,937	928,490	1,188,565	1,050,739	976,098	1,024,305	1,224,927	1,124,916
Student Group Receipts						207,611			387,535	386,737
State sources	7,630,004	8,096,934	8,871,888	9,804,000	10,808,487	13,136,750	13,766,221	16,017,630	19,452,848	19,847,531
Federal sources	1,767,754	2,108,413	2,034,938	2,060,087	1,813,839	1,998,131	2,214,608	3,202,368	3,760,362	6,422,877
Total revenue	44,908,307	46,920,248	49,744,811	52,743,323	55,072,895	59,242,175	60,953,549	65,091,992	70,539,242	74,359,983
<b>Expenditures</b>										
<b>Instruction</b>										
Regular instruction	13,827,871	14,409,852	14,397,046	17,082,571	16,865,668	15,512,644	15,838,363	16,086,175	16,855,553	16,949,774
Special education instruction	5,145,616	5,597,551	5,783,504	3,814,943	4,235,149	6,761,879	7,254,848	7,794,204	8,012,128	8,395,025
Other special instruction	770,854	680,349	755,752	878,170	1,125,992	1,189,686	1,186,460	1,116,739	1,152,745	1,195,553
Other instruction	662,276	681,014	646,617	754,966	738,544	772,946	794,032	741,230	705,746	904,843
Support Services:										
Tuition	2,412,564	2,342,048	2,632,974	2,762,927	2,885,875	3,278,780	3,007,701	3,196,468	2,660,617	3,338,095
Health services				606,540	703,739	398,726	407,680	436,502	451,756	458,974
Student & instruction related services	4,276,931	4,406,946	4,391,655	4,350,264	5,275,273	4,927,574	4,771,763	5,461,047	5,906,152	6,764,416
School Administrative services	1,379,738	1,328,365	1,385,951	1,343,804	1,418,238	1,595,082	1,132,781	1,129,147	1,239,596	1,219,893
General administrative services	1,120,682	912,089	1,166,019	1,186,700	1,135,894	1,191,972	1,693,242	1,734,999	2,047,171	2,029,084
Central services and administrative information technology	760,258	683,263	1,033,321	920,022	984,759	1,011,384	1,018,315	1,013,279	1,178,214	1,317,018
Plant operations and maintenance	2,141,377	2,225,314	2,297,145	2,484,992	2,543,742	2,713,087	2,703,350	3,089,556	3,074,632	3,278,125
Pupil transportation	1,012,812	1,044,891	1,181,913	1,399,418	1,560,090	1,718,499	1,739,360	1,547,394	1,932,987	2,303,221
Unallocated benefits	6,356,332	6,528,231	7,098,894	7,462,448	8,148,391	8,604,151	8,726,971	8,417,468	7,591,000	8,276,086
On-behalf contributions	3,412,401	3,894,499	4,653,441	5,319,425	6,107,374	7,296,800	7,691,476	9,058,653	11,899,905	12,705,177
Charter Schools	48,351	76,578	81,329	41,985	18,992	23,013	21,757	37,512	52,670	45,358
Capital outlay	1,849,700	1,249,473	1,607,126	1,313,308	1,759,101	2,597,492	2,726,528	2,102,086	2,247,198	4,152,893
Debt service:										
Principal	325,000	335,000	340,000	350,000	360,000	370,000	380,000			518,080
Interest and other charges	103,487	91,524	79,205	64,250	46,500	28,250	9,500			87,656
Total expenditures	45,606,250	46,486,987	49,531,892	52,136,733	55,913,321	59,991,965	61,110,127	62,962,459	67,008,070	73,939,271
Excess (Deficiency) of revenues over (under) expenditures	(697,943)	433,261	212,919	606,590	(840,426)	(749,790)	(156,578)	2,129,533	3,531,172	420,712
<b>Other Financing sources (uses)</b>										
Capital leases (non-budgeted)	-	-	-	127,050	103,000	142,944	27,200			
Transfers in		111,698	-	-	-	1				
Transfers out		(111,698)		(476,095)	(251,935)	(202,180)	(327,946)		(6,133)	(44,124)
Total other financing sources (uses)	-	-	-	(349,045)	(148,935)	(59,236)	(300,745)	-	(6,133)	(44,124)
Net change in fund balances	\$ (697,943)	\$ 433,261	\$ 212,919	\$ 257,545	\$ (989,361)	\$ (809,026)	\$ (457,323)	\$ 2,129,533	\$ 3,525,039	\$ 376,588
Debt service as a percentage of noncapital expenditures	1.0%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%	0.0%	0.0%	0.9%

Source: ACFR Exhibit B-2

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**General Fund Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Transportation		Refunds	Rent	Misc.	Total
			Fees					
2014	4,921	5,626,526	290,586		4,049	9,787	162,480	6,098,349
2015	2,088	5,969,338	388,833		28,223		150,725	6,539,207
2016	18,780	6,727,108	482,184		62,294		209,153	7,499,519
2017	8,872	7,744,083	695,390		39,495		162,802	8,650,642
2018	15,962	7,980,012	861,737		23,932		273,456	9,155,099
2019	22,291	8,482,342	770,363		33,862		203,639	9,512,497
2020	21,833	8,386,082	771,548		21,918		135,934	9,337,315
2021	7,868	8,369,899	893,470		3,948		94,573	9,369,758
2022	5,877	8,717,987	1,012,918				198,412	9,935,194
2023	94,057	8,842,427	761,765				240,353	9,938,602

Source: District Records



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Year Ended Dec. 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)	% of Net Assessed to Estimated Full Cash Valuations
2013	\$ 4,926,700	\$ 2,290,400,200	\$ 175,128,600	\$ 6,138,500	\$ 254,091,100	\$ 2,730,705,100	\$ -	\$ 5,714,465	\$ 2,736,419,565	1.085	\$ 2,909,085,995	94.10%
2014	\$ 4,896,700	\$ 2,297,734,100	\$ 185,198,500	\$ 4,562,900	\$ 250,242,800	\$ 2,742,635,000	\$ -	\$ 5,457,917	\$ 2,748,092,917	1.120	\$ 2,901,874,485	94.70%
2015	\$ 10,614,200	\$ 2,307,857,200	\$ 177,888,800	\$ 3,952,700	\$ 255,676,000	\$ 2,755,988,900	\$ -	\$ 5,828,349	\$ 2,761,817,249	1.151	\$ 2,987,769,028	92.44%
2016	\$ 27,852,700	\$ 2,316,723,800	\$ 177,598,700	\$ 3,927,500	\$ 257,177,300	\$ 2,783,280,000	\$ -	\$ 5,817,465	\$ 2,789,097,465	1.174	\$ 3,096,731,675	90.07%
2017	\$ 36,739,700	\$ 2,333,225,200	\$ 176,711,900	\$ 3,927,500	\$ 263,945,400	\$ 2,814,549,700	\$ -	\$ 5,796,670	\$ 2,820,346,370	1.203	\$ 3,279,821,874	85.99%
2018	\$ 14,217,700	\$ 2,449,134,600	\$ 174,673,300	\$ 3,927,500	\$ 264,370,400	\$ 2,906,323,500	\$ -	\$ 5,894,422	\$ 2,912,217,922	1.206	\$ 3,425,459,628	85.02%
2019	\$ 16,694,500	\$ 2,466,986,100	\$ 174,949,100	\$ 3,927,500	\$ 264,370,400	\$ 2,926,927,600	\$ -	\$ 5,748,618	\$ 2,932,676,218	1.226	\$ 3,573,230,623	82.07%
2020	\$ 15,143,300	\$ 2,490,404,600	\$ 179,549,300	\$ 3,927,500	\$ 260,636,100	\$ 2,949,660,800	\$ -	\$ 6,001,858	\$ 2,955,662,658	1.240	\$ 3,634,341,170	81.33%
2021	\$ 18,473,900	\$ 2,510,874,600	\$ 179,066,400	\$ 3,927,500	\$ 264,175,100	\$ 2,976,517,500	\$ -	\$ 5,759,805	\$ 2,982,277,305	1.253	\$ 3,829,622,650	77.87%
2022	\$ 26,386,100	\$ 2,544,613,600	\$ 181,208,100	\$ 3,927,500	\$ 261,369,300	\$ 3,017,504,600	\$ -	\$ 5,747,074	\$ 3,023,251,674	1.260	\$ 3,999,791,783	75.59%

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

<sup>b</sup> Tax rates are per \$100

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

Fiscal Year Ended June 30,	Cliffside Park Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation		Borough of Cliffside Park	Bergen County	
		Debt Service <sup>b</sup>	Total Direct			
2014	1.065	0.020	1.085	0.880	0.247	2.212
2015	1.100	0.020	1.120	0.867	0.253	2.240
2016	1.131	0.020	1.151	0.929	0.265	2.345
2017	1.150	0.024	1.174	0.940	0.278	2.392
2018	1.188	0.015	1.203	0.950	0.285	2.438
2019	1.192	0.014	1.206	0.950	0.286	2.442
2020	1.213	0.013	1.226	0.960	0.302	2.488
2021	1.240	0.000	1.240	0.968	0.309	2.517
2022	1.250	0.000	1.250	1.001	0.311	2.562
2023	1.150	0.020	1.170	1.056	0.317	2.543

Source: District Records and Municipal Tax Collector

**Note:** NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, which ever is greater, plus any pending growth adjustments.

- a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
- b** Rates for debt service are based on each year's requirements.

**CLIFFSIDE PARK BOARD OF EDUCATION  
Principal Property Taxpayers  
Current Year and Nine Years Ago**

Taxpayer	2023				2015			
	Taxable Assessed Value	Rank [Optional]	% of Total		Taxable Assessed Value	Rank [Optional]	% of Total	
			District	Net Assessed Value			District	Net Assessed Value
Briarcliff Corp.	\$ 71,500,000	1	2.37%		\$ 71,500,000	1	2.60%	
Palisadium Mgmt. Corp.	\$ 12,550,500	3	0.42%		\$ 12,550,500	3	0.46%	
Verizon - New Jersey	\$ 6,001,858	4	0.20%		\$ 5,421,709	10	0.20%	
T&F Realty	\$ 5,000,000	7	0.17%		\$ 6,250,000	4	0.23%	
Savoy Plaza	\$ 5,664,800	6	0.19%		\$ 5,664,800	5	0.21%	
Carlton Corp.	\$ 4,700,500	8	0.16%		\$ 4,700,500	6	0.17%	
Cliff Lane/Palisade Ave, LLC	\$ 14,238,200	2	0.47%		\$ 14,238,200	2	0.52%	
Robert Apartments, LLC					\$ 3,375,000	7	0.12%	
Walker Properties	\$ 5,794,200	5	0.19%				0.00%	
Timmes Realty Assoc.	\$ 3,690,500	9	0.12%		\$ 3,690,500	8	0.13%	
TD Banknorth							0.00%	
G&N Realty					\$ 3,300,000	9	0.12%	
A.K. Macagna Development Corp.							0.00%	
<b>Total</b>	<b>\$ 129,140,558</b>		<b>4.27%</b>		<b>\$ 130,691,209</b>		<b>4.76%</b>	

Net Assessed Valuation: \$ 3,023,251,674

\$ 2,748,092,917

Source: Municipal Tax Assessor.

**CLIFFSIDE PARK BOARD OF EDUCATION  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

<u>Year Ended June 30,</u>	<u>District Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2014	\$29,412,200	\$29,412,200	100.00%	\$ -
2015	\$30,175,694	\$30,175,694	100.00%	\$ -
2016	\$31,321,940	\$31,321,940	100.00%	\$ -
2017	\$32,206,663	\$32,206,663	100.00%	\$ -
2018	\$33,281,992	\$33,281,992	100.00%	\$ -
2019	\$34,574,213	\$34,574,213	100.00%	\$ -
2020	\$35,610,540	\$35,610,540	100.00%	\$ -
2021	\$36,270,179	\$36,270,179	100.00%	\$ -
2022	\$36,995,583	\$36,995,583	100.00%	\$ -
2023	\$37,735,495	\$37,735,495	100.00%	\$ -

Source: Municipal Tax Collector

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds/Loans <sup>b</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2014	2,135,000	10,076	-	-	2,145,076	3.47%	\$ 74,480
2015	1,800,000	-	-	-	1,800,000	4.32%	\$ 77,767
2016	1,460,000	-	-	-	1,460,000	5.44%	\$ 79,407
2017	1,110,000	83,900	-	-	1,193,900	6.84%	\$ 81,676
2018	750,000	145,722	-	-	895,722	9.65%	\$ 86,404
2019	380,000	177,253	-	-	557,253	16.05%	\$ 89,456
2020	-	120,327	-	-	120,327	76.44%	\$ 91,972
2021	-	65,346	-	-	65,346	148.97%	\$ 97,343
2022	-	9,060	-	-	9,060	Not Available	Not Available
2023	-	-	-	-	-	Not Available	Not Available

Source: District CAFR Schedules I-1, I-2

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

**a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**b** Includes Early Retirement Incentive Plan (ERIP) refunding

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds/Loans	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 2,135,000	-	2,135,000	0.08%	\$ 29
2015	\$ 1,800,000	-	1,800,000	0.07%	\$ 23
2016	\$ 1,460,000	-	1,460,000	0.05%	\$ 18
2017	\$ 1,110,000	-	1,110,000	0.04%	\$ 14
2018	\$ 750,000	-	750,000	0.03%	\$ 9
2019	\$ 380,000	-	380,000	0.01%	\$ 4
2020	\$ -	-	-	0.00%	\$ -
2021	\$ -	-	-	0.00%	\$ -
2022	\$ -	-	-	0.00%	Not Available
2023	\$ -	-	-	0.00%	Not Available

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

**a** See Exhibit NJ J-6 for property tax data.

**b** Population data can be found in Exhibit NJ J-14.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Ratios of Overlapping Governmental Activities Debt**  
**As of June 30, 2023**

<u>Governmental Unit</u>	Estimated Percentage Applicable <sup>a</sup>	Debt Outstanding	Estimated Share of Overlapping Debt
<b>Direct Debt of School District as of June 30, 2023</b>			
<b>Net overlapping debt of School District:</b>			
Borough of Cliffside Park	100.000%	\$ 23,574,000	
County of Bergen - City's Share	1.707%	\$ 16,651,180	
Bergen County Utility Authority-City's Share	3.376%	\$ 2,854,215	
<b>Subtotal, overlapping debt</b>			<b>\$ 43,079,395</b>
<b>Total direct and overlapping debt</b>			<b>\$ 43,079,395</b>

**Direct Debt of School District as of June 30, 2023**

**Net overlapping debt of School District:**

- Borough of Cliffside Park
- County of Bergen - City's Share
- Bergen County Utility Authority-City's Share

**Subtotal, overlapping debt**

**Total direct and overlapping debt**

**Sources:** Borough of Cliffside Park Finance Office / Bergen County Treasurer's Office

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Cliffside Park. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

**Legal Debt Margin Calculation for Fiscal Year 2023**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	124,625,084	116,825,618	116,165,585	119,818,336	81,126,676	130,693,509	93,315,870	93,315,870	99,519,518	152,850,075
Total net debt applicable to limit	1,800,000	1,460,000	1,110,000	750,000	380,000	-	-	-	-	-
Legal debt margin	\$ 122,825,084	\$ 115,365,618	\$ 115,055,585	\$ 119,068,336	\$ 80,746,676	\$ 130,693,509	\$ 93,315,870	\$ 93,315,870	\$ 99,519,518	\$ 152,850,075
Total net debt applicable to the limit as a percentage of debt limit	1.44%	1.25%	0.96%	0.63%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%

	2022	2021	2020	[A]
Equalized valuation basis	\$ 3,999,791,783	\$ 3,829,622,650	\$ 3,634,341,170	\$ 11,463,735,603
Average equalized valuation of taxable property	[A/3] \$ 3,821,251,868			
Debt limit (4 % of average equalization value)	[B] 152,850,075 <sup>a</sup>			
Net bonded school debt	[C] -			
Legal debt margin	[B-C] \$ 152,850,075			

Source: Abstract of Rates and District Records CAFR Schedule J-6

<sup>a</sup> Limit set by NISA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2014	24,403	\$ 1,817,535,440	74,480	5.10%
2015	24,490	\$ 1,904,513,830	77,767	4.00%
2016	24,537	\$ 1,948,409,559	79,407	4.00%
2017	24,653	\$ 2,013,558,428	81,676	3.70%
2018	25,759	\$ 2,225,680,636	86,404	3.30%
2019	26,120	\$ 2,336,590,720	89,456	2.60%
2020	26,001	\$ 2,391,363,972	91,972	8.80%
2021	25,594	\$ 2,491,396,742	97,343	5.50%
2022	25,560	Not Available	Not Available	3.00%
2023	Not Available	Not Available	Not Available	Not Available

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development

<sup>c</sup> Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**CLIFFSIDE PARK BOARD OF EDUCATION  
Principal Employers  
Current Year and Ten Years Ago**

<u>Employer</u>	<u>2023</u>			<u>2014</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>

THE NEW JERSEY DEPARTMENT OF LABOR AND AREA EMPLOYERS REFUSED TO RELEASE INFORMATION NEEDED TO COMPLETE THIS SCHEDULE DUE TO PRIVACY CONCERNS

**Source:** Borough of Cliffside Park

This schedule should include the ten largest employers, unless fewer are required to reach 50 percent of total employment.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Full-time Equivalent District Employees by Function/Program,**  
**Last Ten Fiscal Years**

<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										
Regular	207	212	210	189	219	224	223	221	231	242
Special education	27	26	47	44	37	41	44	47	46	46
Support Services:										
Student & instruction related services	82	87	91	72	76	80	146	127	134	152
General administrative services	1	1	1	1	1	1	1	1	1	1
School administrative services	7	7	12	7	8	8	8	8	9	9
Central services	6	6	6	11	11	12	12	12	13	13
Plant operations and maintenance	5	5	5	5	5	5	5	5	5	5
Pupil transportation	52	62	67	63	54	57	68	79	75	74
Food Service	23	24	32	41	53	46	53	56	42	42
<b>Total</b>	<b>410</b>	<b>430</b>	<b>471</b>	<b>433</b>	<b>464</b>	<b>474</b>	<b>560</b>	<b>556</b>	<b>556</b>	<b>584</b>

**Source:** District Personnel Records

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Operating Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Pupil/Teacher Ratio										Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Elementary	Middle School	High School	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>				
2014	2,901	43,328,063	14,936	2.61%	234	1:23	1:24	1:23	2,910	2,771	2.09%	95.22%		
2015	2,968	44,810,990	15,098	1.09%	238	1:23	1:24	1:23	2,957	2,815	1.62%	95.20%		
2016	3,000	47,505,561	15,835	4.88%	257	1:23	1:24	1:23	2,938	2,793	-0.64%	95.06%		
2017	3,074	50,409,175	16,399	3.56%	233	1:23	1:24	1:23	3,054	2,888	3.95%	94.56%		
2018	3,164	53,747,720	16,987	3.59%	256	1:23	1:24	1:23	3,113	2,974	1.93%	95.53%		
2019	3,154	56,996,223	18,071	6.38%	265	1:23	1:24	1:23	3,096	2,953	-0.55%	95.38%		
2020	3,203	57,994,099	18,106	0.19%	267	1:23	1:24	1:23	3,140	3,017	1.42%	96.08%		
2021	3,107	60,860,373	19,588	8.18%	268	1:23	1:24	1:23	3,076	2,941	-2.04%	95.61%		
2022	2,994	64,760,872	21,630	10.43%	268	1:23	1:24	1:23	2,964	2,834	-3.64%	95.61%		
2023	3,071	69,180,027	22,527	4.15%	288	1:23	1:24	1:23	3,043	2,899	2.67%	95.27%		

**Sources:** District records, ASSA and Schedules J-4

**Note:** Enrollment based on annual October district count for all students attending school facilities

a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4, DOE Budget Report (Disb/Paid Column)

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**School Building Information**  
 Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b><u>District Buildings</u></b>										
<b><u>Elementary</u></b>										
School #3										
Square Feet	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	333	346	308	285	291	294	389	395	561	374
School #4										
Square Feet	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	493	502	569	598	575	568	560	532	481	481
School #5										
Square Feet	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080
Capacity (students)	180	180	180	180	180	180	180	180	180	180
Enrollment	229	246	281	316	327	341	332	287	269	277
School #6										
Square Feet	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	364	380	355	326	346	327	311	274	255	240
<b><u>Middle School</u></b>										
Middle School										
Square Feet	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Capacity (students)	375	375	375	375	375	375	375	375	375	375
Enrollment	378	376	361	393	408	426	410	423	437	454
<b><u>High School</u></b>										
High School										
Square Feet	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563
Capacity (students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,104	1,118	1,126	1,156	1,217	1,198	1,233	1,196	1,191	1,245
<b><u>Other</u></b>										
ELC										
Square Feet	36,000									
Capacity (students)	375									
Enrollment	323									
Number of Schools at June 30, 2023										
Elementary = 4										
Middle School = 1										
High School = 1										
Other School = 0										

**Source:** District records, ASSA

Note: Enrollment is based on students enrolled within the District -- out of district students have not been included

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**General Fund**  
**Schedule of Required Maintenance for School Facilities**  
**Last Ten Fiscal Years**  
**Unaudited**

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

School Facilities	Project # (s)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School #3	N/A	41,217	63,045	44,380	51,967	34,207	24,081	31,214	29,732	46,126	78,493
School #4	N/A	37,615	47,463	45,689	44,357	26,462	32,341	31,641	44,372	51,477	66,634
School #5	N/A	38,822	26,834	34,038	37,151	22,445	34,796	21,405	46,753	44,558	63,641
School #6	N/A	42,563	97,501	88,473	97,488	58,480	118,539	64,417	94,626	85,567	146,120
High School	N/A	56,236	57,364	57,286	76,356	60,604	69,005	64,668	98,390	81,641	92,845
Grand Total		\$ 216,453	\$ 292,207	\$ 269,866	\$ 307,319	\$ 202,198	\$ 278,762	\$ 213,345	\$ 313,873	\$ 309,369	\$ 447,733

\*\_Note: 2013 - Child Study Team in School #5 start of fiscal year, moved to school #3 during fiscal year (all expenditures allocated to #5)

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Insurance Schedule**  
**For the Fiscal Year Ended June 30, 2023**  
**Unaudited**

Company	Type of Coverage	Coverage	Deductible
	School package policy:		
	New Jersey School Boards Association Insurance Group		
	Property - Blanket Building and Contents	\$ 500,000,000	\$ 5,000
	Comprehensive General Liability	11,000,000	
	Comprehensive Automobile Liability	11,000,000	
	Computers and schedule equipment -		
	Data Processing Equipment	2,000,000	1,000
	School Board legal liability -		
	Professional Errors and Omissions	11,000,000	10,000
	Public Employees' Faithful Performance Blanket		
	Position Bond - Treasurer	350,000	1,000
	Position Bond - Board Secretary	50,000	500
	Public Employee Dishonesty with Faithful Performance	100,000	1,000
	Earthquake	50,000,000	500,000
	Flood	75,000,000	750,000
	Terrorism	1,000,000	

Source: District Records

**SINGLE AUDIT SECTION**





# WIELKOTZ & COMPANY LLC

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**INDEPENDENT AUDITOR'S 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**

Honorable President and  
Members of the Board of Education  
Borough of Cliffside Park School District  
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2023.

***Internal Control Over Financial Reporting***

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

### ***Compliance and Other Matters***

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

We noted certain matters that were required to be reported to the Board of Education of the Cliffside Park Borough School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated November 15, 2023.

### ***Purpose of this Report***

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

*Steven D. Wielkotz*

Steven D. Wielkotz, C.P.A.  
Licensed Public School Accountant  
No. 816

*Wielkotz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

November 15, 2023





# WIELKOTZ & COMPANY LLC

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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08**

Honorable President and  
Members of the Board of Education  
Borough of Cliffside Park School District  
County of Bergen, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Board of Education of the Borough of Cliffside Park School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Cliffside Park Board of Education’s major federal and state programs for the year ended June 30, 2023. The Borough of Cliffside Park 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 Borough of Cliffside Park Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



responsibilities under those standards and the Uniform Guidance and N.J. OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Borough of Cliffside Park 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 Borough of Cliffside Park 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, regulations, rules, and provisions of contracts or grant agreements applicable to Borough of Cliffside Park 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 Borough of Cliffside Park 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, the Uniform Guidance and N.J. 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 omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Borough of Cliffside Park 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, the Uniform Guidance and N.J. OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Borough of Cliffside Park 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 Borough of Cliffside Park 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 Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Borough of Cliffside Park 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 instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08 and which are 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 these matters.

The Borough of Cliffside Park Board of Education’s responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Borough of Cliffside Park Board of Education’s responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on these responses.

### **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 and 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 and 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 and 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.



Honorable President and  
Members of the Board of Education

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

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

*Steven D. Wielkotz*

Steven D. Wielkotz, C.P.A.  
Licensed Public School Accountant  
No. 816

*Wielkotz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

November 15, 2023



CLIFFSIDE PARK  
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2023		Due to Grantor
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable	
U.S. Department of Education													
Passed-through State Department of Education:													
General Fund:													
Medicaid Administrative Claiming (MAC)	93.778	2005NJ5MAP	N/A	7/1/22-6/30/23	\$ 31,974			31,974	31,974				
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	7/1/22-6/30/23	111,881			111,881	111,881				
FFCRA/SEMI Revenue	93.775	2005NJ5MAP	N/A	7/1/22-6/30/23	11,839			11,839	11,839				
Total General Fund					155,694			155,694	155,694				
U.S. Department of Education													
Passed-through State Department of Education:													
Special Revenue Fund:													
Title I Part A, Improving Basic Programs	84.010	S010A220030	ESEA-0890-22	7/1/22-9/30/23	823,751	(49,692)	(49,692)	588,951	746,584	(207,325)			
Title I Part A, Improving Basic Programs	84.010	S010A210030	ESEA-0890-22	7/1/21-9/30/22	611,040	49,692	49,692	16,100	21,600	(24,400)			
Title I SIA	84.010	S010A220030	ESEA-0890-23	7/1/22-9/30/23	40,400	(18,900)	(18,900)	16,100	16,100				
Title I SIA	84.010	S010A210030	ESEA-0890-22	7/1/21-9/30/22	16,100	(68,592)	18,900	605,051	768,184	(231,725)			
I.D.E.A. Part B	84.027A	H027A220100	IDEA-0890-23	7/1/22-9/30/22	709,897	(49,656)	(49,656)	759,553	709,897	(19,806)			
I.D.E.A. Part B	84.027A	H027A210100	IDEA-0890-22	7/1/21-9/30/22	708,228	49,656	49,656	17,775	20,833				
I.D.E.A. Part B Preschool	84.173A	H173A220014	IDEA-0890-23	7/1/22-9/30/23	20,839	(16,748)	(16,748)	16,748	16,748				
I.D.E.A. Part B Preschool	84.173A	H173A210014	IDEA-0890-22	7/1/21-9/30/22	17,735	16	16	165,840	165,840				16
I.D.E.A. Part B Preschool	84.027X	H027X210100	IDEA-0890-19	7/1/18-6/30/19	16,908			14,079	14,079				
ARP - I.D.E.A. Part B	84.027X	H027X210100	IDEA-0890-22	7/1/21-9/30/22	165,840	(66,388)	5,091	957,247	910,649	(19,806)			16
ARP - I.D.E.A. Part B Preschool	84.173X	H173X210114	IDEA-0890-22	7/1/21-9/30/22	14,079								
Title II Part A	84.367A	S367A220029	ESEA-0890-23	7/1/22-9/30/23	107,792	(6,670)	(6,670)	88,535	107,674	(25,809)			
Title II Part A	84.367A	S367A210029	ESEA-0890-22	7/1/21-9/30/22	84,948	(6,670)	6,670	88,535	107,674	(25,809)			
Title III	84.365A	S365A220030	ESEA-0890-23	7/1/22-9/30/23	74,467	(13,860)	(13,860)	26,309	90,075	(77,626)			
Title III	84.365A	S365A210030	ESEA-0890-22	7/1/21-9/30/22	73,727	13,860	13,860	29,090	23,999				
Title III, Immigrant	84.365A	S365A220030	ESEA-0890-23	7/1/22-9/30/23	30,933	(5,091)	5,091	55,399	114,074	(77,626)			
Title III, Immigrant	84.365A	S365A210030	ESEA-0890-22	7/1/21-9/30/22		(18,951)							
21st Century Community Learning Centers	84.287C	S287C220030	CCLE-0890-23	9/1/22-8/31/23	500,000			338,195	466,370	(128,175)			
21st Century Community Learning Centers	84.287C	S287C210030	CCLE-0890-22	9/1/21-8/31/22	500,000	(86,847)		162,525	75,678	(128,175)			
						(86,847)		500,720	542,048				

CLIFFSIDE PARK  
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2023	
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable
Coronavirus Response and Relief Supplemental Act:												
CARES - ESSER I	84-425D	S425D200027		3/13/20-10/15/22	508,473	(195)		214				19
CRRSA - ESSER II	84-425D	S425D210027		3/13/20-9/30/23	2,017,146	(303,608)		755,594	462,838		(10,852)	6,751
CR Learning Acceleration	84-425D	S425D210027		3/13/20-9/30/23	129,451	(5,504)		12,255				
CR Mental Health	84-425D	S425D210027		3/13/20-9/30/23	45,000	(26,157)		40,000	13,843			
American Rescue Plan:												
ARP - ESSER	84-425U	S425U210027		3/13/20-9/30/23	4,533,405	(328,630)		3,066,605	3,032,169		(294,194)	
Accelerated Learning Coach and Educator Support	84-425U	S425U210027		3/13/20-9/30/23	280,270			28,800	34,640		(5,840)	
Evidence Based Summer Learning and Enrichment	84-425U	S425U210027		3/13/20-9/30/23	40,000				780		(780)	
Evidence Based Comprehensive Beyond the School Day	84-425U	S425U210027		3/13/20-9/30/23	40,000			20,481	21,817		(1,336)	
NITSS Mental Health Support Staffing	84-425U	S425U210027		3/13/20-9/30/23	45,000				690		(690)	
ARP - Homeless II	84-425W	215064233E		4/23/21-9/30/23	19,157	(664,094)		3,923,949	3,566,777		(313,692)	6,770
Additional or Compensatory Special Education and Related Services (ACSERS)	21.027	C8220COVID19		3/13/20-9/30/23	63,186	(32,316)		32,316				
Total Special Revenue Fund						(943,858)		6,163,217	6,009,406		(796,833)	6,770
U.S. Department of Agriculture Passed-through State Department of Education:												
Enterprise Fund:												
USDA Commodities	10.555	23IN1304N1096	N/A	7/1/22-6/30/23	\$ 78,926			78,926	78,926		(16,797)	
National Breakfast Program	10.553	23IN1304N1099	N/A	7/1/22-6/30/23	193,809			177,012	193,809			
National Breakfast Program SSO	10.553	22IN1304N1099	N/A	7/1/21-6/30/22	283,656	(22,848)		22,848				
National School Lunch Program	10.555	23IN1304N1099	N/A	7/1/22-6/30/23	748,809			705,778	748,809		(43,031)	
National School Lunch Program SSO	10.555	22IN1304N1099	N/A	7/1/21-6/30/22	1,408,476	(101,771)		101,771				
National School Snack Program	10.555	23IN1304N1099	N/A	7/1/22-6/30/23	40,151			37,786	40,151		(2,365)	
National School Snack Program SSO	10.555	22IN1304N1099	N/A	7/1/21-6/30/22	38,480	(2,936)		2,936				
Supply Chain Assistance Funding (1st/2nd Round)	10.555	22IN1344N8903	N/A	1/1/22-9/30/23	120,070	(21,231)		120,070	98,839			
Supply Chain Assistance Funding (3rd Round)	10.555	23IN1344N8903	N/A	10/1/22-9/30/24	28,601			28,601	28,601		(5,020)	
School Equipment Grant	10.579	23IN1354I5003	N/A	10/1/22-9/30/24	5,020				5,020			
Local Food for Schools Cooperative Agreement Progra	10.185	USDA-AMS-10185	N/A	7/1/22-6/30/23	15,147			2,48	28			
Total Enterprise Fund						(148,786)		1,275,976	1,194,183		(67,213)	
Total Federal Financial Assistance					\$ (1,092,644)			7,594,887	7,359,283		(864,046)	6,770

See accompanying notes to schedules of expenditures of federal and state awards.



CLIFFSIDE PARK  
BOARD OF EDUCATION  
Schedule of Expenditures of State and Local Awards  
Year ended June 30, 2023

State/Local Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Deferred Revenue (Assets Receivable)	Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures Pass-through Funds	Budgetary Expenditures Direct	Repayment of Prior Years Balances	Intergovernmental Accounts Receivable	Deferred Revenues/ Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures	MEMO	
																Balance at June 30, 2022	Balance at June 30, 2023
<b>State Department of Education:</b>																	
<b>General Fund:</b>																	
Equalization Aid	495-034-5120-078	7/1/22-6/30/23	2,806,521	(1,122,162)			19,188,777	19,522,499			(1,008,930)	89,378		536,332	2,806,521		
Special Education Aid	495-034-5120-089	7/1/22-6/30/23	1,923,091	(21,266)			196,755	218,616			(21,861)			21,861	1,923,091		
Security Aid	495-034-5120-084	7/1/22-6/30/23	926,208				843,131	926,208							926,208		
Transportation Aid	495-034-5120-014	7/1/22-6/30/23	323,598				294,572	323,598							323,598		
NTE Homeless Reimbursement	100-029-6060-034	7/1/22-6/30/23	85,534					85,534			(85,534)				85,534		
NTE Homeless Reimbursement	100-029-6060-034	7/1/21-6/30/22	106,755	(106,755)			106,755								106,755		
Extraordinary Aid	495-034-5120-044	7/1/22-6/30/23	743,730					743,730			(743,730)				743,730		
Extraordinary Aid	495-034-5120-044	7/1/21-6/30/22	841,632	(841,632)			841,632								841,632		
Lead Testing for Schools Aid	495-034-5120-104	7/1/22-6/30/23	8,640					8,640							8,640		
Reimbursed TPAF Social Security	495-034-5094-003	7/1/22-6/30/23	1,817,317	(173,775)			1,727,029	1,817,317			(179,666)	89,378			1,817,317		
On Behalf TPAF - Post Retirement Medical	495-034-5094-002	7/1/21-6/30/22	1,803,368				1,737,775	2,264,290							1,803,368		
On Behalf TPAF Pension Contributions	495-034-5094-001	7/1/22-6/30/23	2,264,290				2,264,290								2,264,290		
On Behalf TPAF NCGI Premium	495-034-5094-004	7/1/22-6/30/23	8,501,433				8,501,433								8,501,433		
On Behalf TPAF - LTDI	495-034-5094-004	7/1/22-6/30/23	117,948				117,948								117,948		
On Behalf TPAF - LTDI	495-034-5094-004	7/1/22-6/30/23	4,189				4,189								4,189		
Total General Fund			19,522,499	(1,122,162)			19,188,777	19,522,499			(1,008,930)	89,378		536,332	22,274,234		
<b>Special Revenue Fund:</b>																	
Preschool Education Aid	495-034-5120-086	7/1/22-6/30/23	218,616					218,616							218,616		
Preschool Education Aid	495-034-5120-086	7/1/21-6/30/22	212,663	(21,266)			212,666								212,663		
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/22-6/30/23	198				198								198		
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/21-6/30/22	300	20				173		20			25		300		
N.J. Nonpublic Technology Initiative	100-034-5120-373	7/1/22-6/30/23	126				126								126		
N.J. Nonpublic Technology Initiative	100-034-5120-373	7/1/21-6/30/22	210	41				85		41			41		210		
N.J. Nonpublic Nursing Services	100-034-5120-070	7/1/22-6/30/23	336				336								336		
N.J. Nonpublic Nursing Services	100-034-5120-070	7/1/21-6/30/22	560	5				315		5			21		560		
N.J. Nonpublic Security Grant	100-034-5120-509	7/1/22-6/30/23	615				615								615		
N.J. Nonpublic Security Grant	100-034-5120-509	7/1/21-6/30/22	4,185	4,185						4,185							
Corrective Speech	100-034-5120-066	7/1/21-6/30/22	73,648	(17,015)			73,648								73,648		
SDA Emergent Needs and Capital Maintenance in School Districts			73,648	(17,015)			292,944	293,452			(21,861)			21,861	73,648		
Total Special Revenue Fund			73,648	(17,015)			292,944	293,452			(21,861)			21,861	73,648		
<b>Enterprise Fund:</b>																	
National School Lunch Program (State Share)	100-010-3350-023	7/1/22-6/30/23	26,274	(2,342)			24,792	26,274			(1,482)				26,274		
National School Lunch Program SSO (State Share)	100-010-3350-023	7/1/21-6/30/22	33,121				2,342								33,121		
National School Breakfast Program	495-034-5094-002	7/1/22-6/30/23	3,516				3,183	3,516			(333)				3,516		
National School Breakfast After the Bell	495-034-5094-004	7/1/22-6/30/23	7,220	(2,342)			6,603	7,220			(617)				7,220		
Total Enterprise Fund			72,200	(2,342)			36,920	37,010			(2,432)				70,131		
<b>Total State Financial Assistance</b>																	
			19,535,699	(1,141,519)			19,518,641	19,852,961			(1,033,223)	89,378		558,193	22,851,504		
<b>Less: On Behalf TPAF Pension System Contributions</b>																	
On Behalf TPAF - Post Retirement Medical	495-034-5094-001		2,264,290					2,264,290							2,264,290		
On Behalf TPAF Pension Contributions	495-034-5094-002		8,501,433					8,501,433							8,501,433		
On Behalf TPAF NCGI Premium	495-034-5094-004		117,948					117,948							117,948		
On Behalf TPAF - LTDI	495-034-5094-004		4,189					4,189							4,189		
			10,887,860					10,887,860							10,887,860		
			8,965,101					8,965,101							8,965,101		
Total State Financial Assistance			17,058				17,058	17,058							17,058		
<b>Local Awards:</b>																	
Special Revenue Fund			17,058				17,058	17,058							17,058		
NJSBAIG Safety Grant Program 2022																	
Total Local Awards			17,058				17,058	17,058							17,058		
Total State/Local Financial Assistance			\$ 19,552,757	(1,141,519)			19,535,699	19,870,019		4,251	(1,033,223)	89,378		558,193	22,851,504		

See accompanying notes to schedules of expenditures of federal and state awards.

**NOTE 1. GENERAL**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal and state award programs of the Board of Education, Borough of Cliffside Park School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on 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 bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic 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 the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$31,580 for the general fund and \$269,460 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 basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
General Fund	\$155,694	\$19,554,079	\$	\$19,709,773
Special Revenue Fund	6,267,183	292,837	28,741	6,588,761
Food Service Fund	<u>1,194,183</u>	<u>37,010</u>	<u>          </u>	<u>1,231,193</u>
Total Awards and Financial Assistance	<u>\$7,617,060</u>	<u>\$19,883,926</u>	<u>\$28,741</u>	<u>\$27,529,727</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2023. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$10,887,860 of on-behalf payments is excluded from major program determination.

**NOTE 7. INDIRECT COST RATE**

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

**NOTE 8. SCHOOLWIDE PROGRAM FUNDS**

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$746,584
Title I, SIA: <i>Grants to Local Educational Agencies</i>	21,600
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	107,674
Title III: <i>English Language Acquisition State Grants</i>	<u>90,075</u>
Total	<u>\$965,933</u>

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Section I - Summary of Auditor's Results*

**Financial Statements**

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- 1. Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes \_\_\_\_\_ X none reported
- 2. Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ X no

Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes \_\_\_\_\_ X no

**Federal Awards**

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ X yes \_\_\_\_\_ no

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

Internal Control over major programs:

- 1. Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes \_\_\_\_\_ X none reported
- 2. Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ X no

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of the Uniform Guidance? \_\_\_\_\_ yes \_\_\_\_\_ X no

Identification of major programs:

<b><u>Assistance Listing Number(s)</u></b>	<b><u>FAIN Number(s)</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
84.027A/84.173A/ 84.027X/84.173X	H027A220100/ H173A220014/ H027X210100/ H173X210114 (A)	IDEA, Part B-Basic/IDEA, Part B-Preschool/ARP-IDEA, Part B-Basic/ARP-IDEA, Part B-Preschool
84.425D/84.425U	S425D210027/ S425U210027 (A)	CARES-ESSER I/ CRRSA-ESSER II/ CR Learning Acceleration/ CR Mental Health/ ARP-ESSER
10.553/10.555	231NJ304N1099 (A)	Child Nutrition Cluster: National School Lunch Program/National School Breakfast Program

Note: (A) - Tested as Major Type A Program.

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

*Section I - Summary of Auditor's Results, (continued)*

**State Awards**

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

Auditee qualified as low-risk auditee?                               X   yes     \_\_\_\_\_ no

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

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses?       X   yes     \_\_\_\_\_ none reported

2. Material weakness(es) identified?                             \_\_\_\_\_ yes       X   no

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?                               X   yes     \_\_\_\_\_ no

Identification of major programs:

**GMIS Number(s)**

**Name of State Program**

495-034-5094-003                             (A)  
495-034-5094-014                             (B)

Reimbursed TPAF Social Security  
Transportation Aid

Note: (A) - Tested as Major Type A Program.

Note: (B) - Tested as Major Type B Program.

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

*Section II – Financial Statement Findings*

NONE

*Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs*

**FEDERAL AWARDS**

None

**STATE AWARDS**

**Finding 2023-001**

**Information on the state program:**

Reimbursed TPAF Social Security Contributions, NJCFS Number 495-034-5094-003, Grant Period 7/1/22-6/30/23.

**Criteria or specific requirement:**

N.J.S.A. 18A:66-66 authorizes the State to reimburse/provide the amount of the employer's share of the social security contributions for TPAF members paid by that employer. However, the State's provision for social security contributions is limited to the amount of employer share payments made by the employer calculated on compensation upon which members' contributions to the TPAF retirement system are based. Accordingly, the school district may not be reimbursed for the employer's share of social security contribution upon any portion of an employee's wages that are deemed not pensionable.

**Condition:**

There was an instance in which the incorrect TPAF wages were submitted into the State of New Jersey Department of Education Social Security Contributions FICA System causing an overpayment by the State when reimbursing the District.

**Questioned Costs:**

Unknown

**Context:**

There was an instance in which amounts submitted into the FICA System did not agree to the supporting payroll records used to prepare the FICA reimbursement.

**Effect:**

The district is not in compliance with the requirements of the Reimbursed TPAF Social Security Contributions.

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs (Cont.)*

**STATE AWARDS (continued)**

**Finding 2023-001, continued**

**Cause:**

The information entered into the on-line FICA System for one pay period did not agree to the supporting payroll records maintained by Systems 3000.

**Recommendation:**

The District should compare the information entered into the FICA System to the supporting payroll records prior to final submission for reimbursement to ensure the data entered is complete and accurately reflects payroll records.

**Management's response:**

Prior to final submission of the FICA reimbursement, the information entered into the system will be reviewed for completeness and accuracy to ensure information entered agrees to the underlying payroll records for the pay period.



**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Status of Prior Year Findings**

**Finding 2022-001**

Condition:

The District did not recognize lease-related assets and liabilities in accordance with current accounting standards for the fiscal year ended June 2023.

Current Status:

Corrective action has been taken.

**Finding 2022-002**

Condition:

There were instances in which the individual student applications contained errors and/or omissions of information that should have been included in the district prepared EXAID work papers. Incorrect amounts were used for related services, additional support costs and deductions on work papers.

Current Status:

No errors were noted in the current year.