

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

Elmwood Park, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Elmwood Park Board of Education

Elmwood Park, New Jersey

For The Fiscal Year Ended June 30, 2023

Prepared by

Business Office

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INTRODUCTORY SECTION

ELMWOOD PARK PUBLIC SCHOOLS

OFFICE OF THE BOARD SECRETARY/BUSINESS ADMINISTRATOR

Anthony Iachetti
Superintendent
of Schools

60 EAST 53RD STREET
ELMWOOD PARK, NEW JERSEY 07407
TELEPHONE (201) 796-8700
Fax (201) 625-6370

Mark S. Jacobus
Business Administrator/
Board Secretary

October 16, 2023

Members of the Board of Education
Elmwood Park Public Schools
60 East 53rd Street
Elmwood Park, NJ 07407

Dear Board Members:

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

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

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

Every district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the related U.S. Uniform Guidance and the State Treasury Circular OMB 15-08. Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

Our District provides a full range of educational services appropriate to grade levels K through 12. These include regular and special education for handicapped, school-aged individuals. The District completed with an average daily enrollment of 2,605. The following Average Daily Enrollment figures, reported in the School Summary Register, detail the changes in student enrollment over the last ten (10) years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2022/23	2,605	4.19%
2021/22	2,500	0.22%
2020/21	2,495	-2.65%
2019/20	2,563	0.58%
2018/19	2,548	-2.65%
2017/18	2,601	1.17%
2016/17	2,572	1.53%
2015/16	2,533	0.07%
2014/15	2,531	0.16%
2013/14	2,527	-0.41%

2. ECONOMIC CONDITION AND OUTLOOK

The Borough of Elmwood Park is almost fully developed with only a nominal amount of land that remains vacant. Most land use changes reflect the results of redevelopment. This has resulted in a static tax base. The Borough could experience a growth in ratables as a portion of the former Marcal site is being redeveloped into a warehouse which will be leased.

The District's General Fund was in a deficit position at the end of the 2010-2011 and 2011-2012 school years. The District obtained a state aid advance loan in 2012-2013 in the amount of \$2,214,497, which was to be repaid over ten years. This loan was reflected as budgetary revenue pursuant to N.J.S.A. 18A:7A-56, and as another financing source on the GAAP basis governmental fund statements. As reflected in the June 2018 audit, the district identified funds to satisfy the loan. As of June 30, 2019, the district had paid off the outstanding amount in full.

3. MAJOR INITIATIVES

The Elmwood Park School District strives to meet the educational challenges of the various student population through a series of ambitious instructional initiatives. Planning is based upon a long-range District Professional Development Plan (2023-2024), which encompasses the growth of general education students, ELL/ ESL, students with IEPs and other specific initiatives based on NJDOE mandates. Curriculum advances and enhancements include the areas of English Language Arts, Mathematics, Foreign Language, 21st Century Skills, Technology, Social Studies, and Science.

During the 2023-2024 school year, in-service professional development training has focused on supporting the delivery of highly effective instruction at appropriate grade levels and for various content areas. The district has provided formal and ongoing training in the proper utilization of our new district-wide benchmark program, LinkIt. This program will be used to assist the instructional staff in maximizing the school day by making data-driven decisions to differentiate and tier instruction based on the needs and proficiency of our students. It will also enable the district to close the gaps identified between various subgroups of students at all levels.

The district has continued SEL programming at all and has addressed wellness needs through additional staffing within the counseling department as well as the development of wellness centers in each of the 5 buildings. Staff members will continue to be trained within the methodologies in effectively evaluating and monitoring the SEL programs periodically through the year, and provide the staff with avenues of support and resources regarding their students and their own emotional well-being.

In addition to the above professional development, training will continue to be provided to all staff members to continue the progress of rigorous instruction, implementation of effective assessments, and the application of 21st century technology. The district also continues to offer frequent PLC articulation time throughout the school year, after-school hours and during summer recess. The Quality School Assurance Continuum (QSAC) provided formal review in February 2022, and has identified the Elmwood Park School District as "high performing".

In-service training has focused on balanced literacy in both ELA and Mathematics, as well as specific the district-issued technological platforms to assist in NJSLA and State Mandated Assessments preparation at all levels. Professional Development has also thoroughly addressed the assimilation of all updated NJ Student Learning Standards. District in-service days have focused on a diversified curriculum meeting the needs of each type of learner, as well as establishing Professional Learning Communities for our teachers throughout the district.

4. INTERNAL ACCOUNTING CONTROLS

As a recipient of Federal and State financial assistance, the District is also 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 subject to periodic evaluation by District management and the auditor.

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

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for FY 2022/2023 is reflected in the budgetary comparison schedules of the required supplementary information.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assigned fund balance at June 30, 2023.

6. ACCOUNTING SYSTEM AND REPORTS

Our District accounting records reflect generally accepted accounting principles (GAAP), as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements."

7. DEBT ADMINISTRATION

On June 30, 2023, the District had \$17,970,000 outstanding in General Obligation Bonds. The proceeds of these bonds were used to provide funds for major capital improvements to the District's buildings and grounds.

8. CASH MANAGEMENT

The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statements." The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). "GUDPA" was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed

banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9. RISK MANAGEMENT

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

10. OTHER INFORMATION

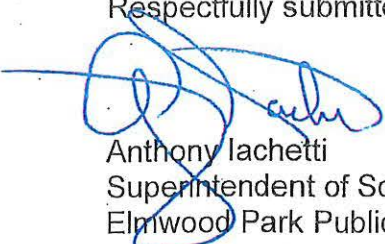
Independent Audit. State statute requires an annual audit by an independent certified public accountant or registered municipal accountant. The Board's Finance Committee selected the accounting firm of Lerch Vinci & Bliss, LLP, CPA's. In addition to meeting the requirements as set forth in State statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter OMB 15-08.

The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Elmwood Park Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the District, as well as contributing their full support to the development and maintenance of our financial operations. Further, the preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff and other members in central office.

Respectfully submitted,



Anthony Iachetti
Superintendent of Schools
Elmwood Park Public Schools



Mark S. Jacobus
Business Administrator/Board Secretary
Elmwood Park Public Schools

**ELMWOOD PARK SCHOOL DISTRICT
ELMWOOD PARK, NEW JERSEY**

**Roster of Officials
June 30, 2023**

<u>Members of the Board of Education</u>	<u>Term Expires December 31</u>
Louise Gerardi, President	2025
Dorin Aspras, Vice President	2023
Keith Cannizzo	2024
Douglas DeMatteo	2023
Chakib Fakhoury	2024
Elizabeth Mierzejewski	2023
Carrie Paretta	2025
Karen Pena	2024
Daniel Zoltek	2025

Other Officials

Dr. Anthony Iachetti, Superintendent

Jillian Torrento, Assistant Superintendent

Mark S. Jacobus, Board Secretary/Business Administrator

Joanne Wilson, Treasurer of School Monies

Cleary, Giacobbe, Alfieri, Jacobs, LLC., Board Attorney

**ELMWOOD PARK BOARD OF EDUCATION
CONSULTANTS AND ADVISORS
JUNE 30, 2023**

ARCHITECT

DiCara Rubino Architects
30 Galesi Drive
Wayne, NJ 07470

AUDIT FIRM

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

ATTORNEY

Cleary, Giacobbe, Alfieri, Jacobs, LLC
169 Ramapo Valley Road
Upper Level – Suite 105
Oakland, NJ 07436

OFFICIAL DEPOSITORY

Spencer Savings Bank
River Drive Center 3
611 River Drive
Elmwood Park, NJ 07407

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Elmwood Park Board of Education
Elmwood Park, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elmwood Park Board of Education, as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elmwood Park Board of Education as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information


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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 16, 2023 on our consideration of the Elmwood 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Elmwood Park Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Elmwood Park Board of Education's internal control over financial reporting and compliance.

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


Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 16, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

ELMWOOD PARK BOARD OF EDUCATION

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

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

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Elmwood Park Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$51,128,162. (Net Position)
- The District's total net position increased by \$9,525,808, or 23%.
- Overall District revenues were \$69,527,031. General revenues accounted for \$51,203,238, or 74%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$18,323,793 or 26% of total revenues.
- The school district had \$58,512,212 in expenses for governmental activities; only \$16,912,455 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$51,170,955 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 \$32,353,326. Of this amount, \$26,129,050 is restricted for capital projects, \$2,111,853 is restricted for required maintenance of District facilities, \$2,578,967 is restricted for excess surplus, \$582,596 is restricted for other purposes and \$1,460,425 is committed or assigned for year end encumbrances and the remaining amount is the unassigned fund deficit of (\$509,565).
- The General Fund fund balance at June 30, 2023 was \$32,214,660, an increase of \$6,955,353 compared to the ending fund balance at June 30, 2022 of \$25,259,307.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$1,944,294, which represents a decrease of \$809,380 when compared to the ending unassigned budgetary fund balance at June 30, 2022 of \$2,753,674.

ELMWOOD PARK BOARD OF EDUCATION

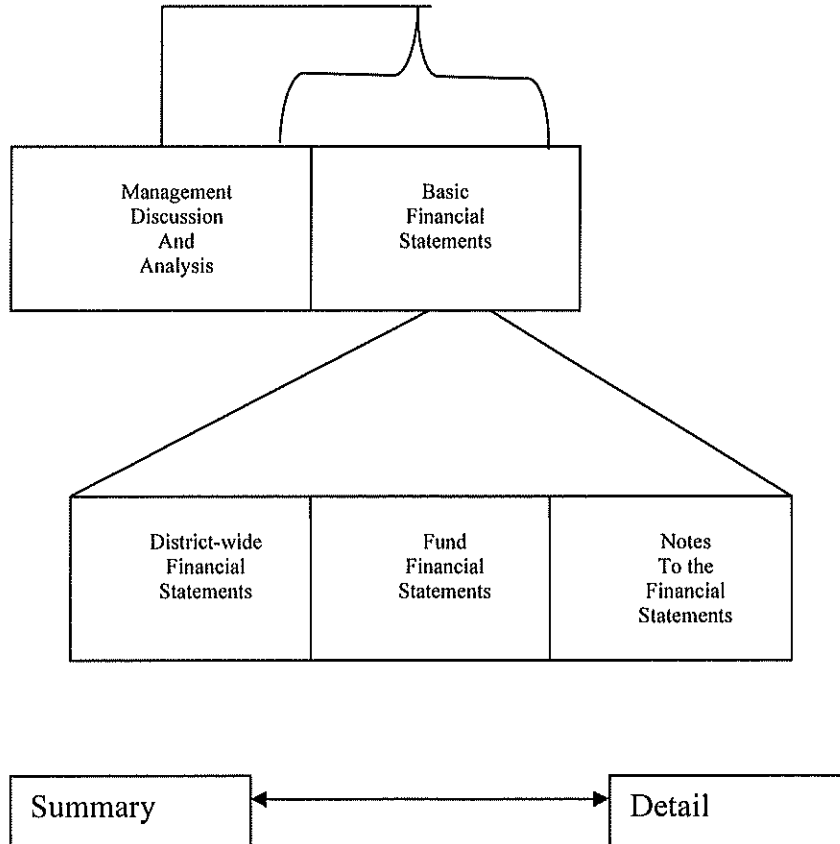
Management's Discussion and Analysis Fiscal Year Ended June 30, 2023

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 *governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

The basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The following shows how the various parts of this Annual Report are arranged and related to one another.



ELMWOOD PARK BOARD OF EDUCATION

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

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

Major Features of the District-Wide and Fund Financial Statements

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

District-Wide Statements

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

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

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

ELMWOOD PARK BOARD OF EDUCATION

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

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

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, and plant operation and maintenance. Property taxes and Federal and State aid finance most of these activities.
- *Business type activities* – These are activities for operations that are financed and operated in a manner similar to private business enterprises. The District's food services (cafeteria) program and summer session programs are included under this category.

Fund Financial Statements

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

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

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial resources* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
 - *Enterprise Funds* – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds, for its food service (cafeteria) program and summer session program.

Notes to the Financial Statements

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

ELMWOOD PARK BOARD OF EDUCATION

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

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for the general and special revenue funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

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

Combining and individual financial schedules are presented immediately following the major budgetary comparisons if required.

ELMWOOD PARK BOARD OF EDUCATION

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$51,128,162 and \$41,602,354 on June 30, 2023 and 2022, respectively as follows:

**Net Position
As of June 30, 2022 and 2021**

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets						
Current and Other Assets	\$ 35,005,094	\$ 26,944,391	\$ 482,756	\$ 683,116	\$ 35,487,850	\$ 27,627,507
Capital Assets	44,273,586	44,181,774	251,001	163,266	44,524,587	44,345,040
Total Assets	<u>79,278,680</u>	<u>71,126,165</u>	<u>733,757</u>	<u>846,382</u>	<u>80,012,437</u>	<u>71,972,547</u>
Total Deferred Outflows of Resources	<u>609,970</u>	<u>459,153</u>	<u>-</u>	<u>-</u>	<u>609,970</u>	<u>459,153</u>
Total Assets and Deferred Outflows of Resources	<u>79,888,650</u>	<u>71,585,318</u>	<u>733,757</u>	<u>846,382</u>	<u>80,622,407</u>	<u>72,431,700</u>
Liabilities						
Long-Term Liabilities	25,512,522	26,005,299		-	25,512,522	26,005,299
Other Liabilities	2,984,872	1,923,445	12,340	95,049	2,997,212	2,018,494
Total Liabilities	<u>28,497,394</u>	<u>27,928,744</u>	<u>12,340</u>	<u>95,049</u>	<u>28,509,734</u>	<u>28,023,793</u>
Deferred Inflows of Resources	<u>984,050</u>	<u>2,800,566</u>	<u>461</u>	<u>4,987</u>	<u>984,511</u>	<u>2,805,553</u>
Total Liabilities and Deferred Inflows of Resources	<u>29,481,444</u>	<u>30,729,310</u>	<u>12,801</u>	<u>100,036</u>	<u>29,494,245</u>	<u>30,829,346</u>
Net Position						
Net Investment in Capital Assets	25,234,523	23,162,256	251,001	163,266	25,485,524	23,325,522
Restricted	28,379,569	20,884,338			28,379,569	20,884,338
Unrestricted	<u>(3,206,886)</u>	<u>(3,190,586)</u>	<u>469,955</u>	<u>583,080</u>	<u>(2,736,931)</u>	<u>(2,607,506)</u>
Total Net Position	<u>\$ 50,407,206</u>	<u>\$ 40,856,008</u>	<u>\$ 720,956</u>	<u>\$ 746,346</u>	<u>\$ 51,128,162</u>	<u>\$ 41,602,354</u>

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents amounts reserved for specific purposes by outside parties or state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

ELMWOOD PARK BOARD OF EDUCATION

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

The District's total net position of \$51,128,162 at June 30, 2023 represents a \$9,525,808, or 23%, increase from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2023 and 2022.

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program Revenues						
Charges for Services and Sales	\$ 309,854	\$ 324,741	\$ 598,960	\$ 84,636	\$ 908,814	\$ 409,377
Operating Grants and Contributions	15,686,693	15,443,858	812,378	1,624,970	16,499,071	17,068,828
Capital Grants and Contributions	915,908	6,887			915,908	6,887
General Revenues						
Property Taxes, Levied	37,161,093	37,029,882			37,161,093	37,029,882
State Aid - Unrestricted	12,902,827	10,183,118			12,902,827	10,183,118
Miscellaneous Income	1,107,035	319,928	32,283	-	1,139,318	319,928
Total Revenues	68,083,410	63,308,414	1,443,621	1,709,606	69,527,031	65,018,020
Expenses						
Instruction						
Regular	18,506,247	19,155,477			18,506,247	19,155,477
Special	10,653,159	10,856,587			10,653,159	10,856,587
Other Instruction	3,045,415	855,388			3,045,415	855,388
School Sponsored Activities and Athletics	1,090,551	924,794			1,090,551	924,794
Support Services						
Student and Instruction Related Services	8,996,580	7,460,571			8,996,580	7,460,571
General Administrative Services	1,376,093	1,441,941			1,376,093	1,441,941
School Administrative Services	3,514,832	3,698,841			3,514,832	3,698,841
Central Administrative Services	1,356,066	1,438,149			1,356,066	1,438,149
Plant Operations and Maintenance	6,105,356	3,991,798			6,105,356	3,991,798
Pupil Transportation	3,218,162	2,769,692			3,218,162	2,769,692
Interest on Long-Term Debt	649,751	735,550			649,751	735,550
Food Services			1,470,239	1,554,324	1,470,239	1,554,324
Summer Session	-	-	18,772	-	18,772	-
Total Expenses	58,512,212	53,328,788	1,489,011	1,554,324	60,001,223	54,883,112
Change in Net Position Before Transfers	9,571,198	9,979,626	(45,390)	155,282	9,525,808	10,134,908
Transfers	(20,000)	(20,000)	20,000	20,000	-	-
Increase (Decrease) in Net Position	9,551,198	9,959,626	(25,390)	175,282	9,525,808	10,134,908
Net Position, Beginning of Year	40,856,008	30,896,382	746,346	571,064	41,602,354	31,467,446
Net Position, End of Year	\$ 50,407,206	\$ 40,856,008	\$ 720,956	\$ 746,346	\$ 51,128,162	\$ 41,602,354

ELMWOOD PARK BOARD OF EDUCATION

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

Governmental Activities. The District’s total governmental activities’ revenues, which includes State and Federal grants, were \$68,083,410 for the fiscal year ended June 30, 2023, property taxes of \$37,161,093 represented 55% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$29,505,428 and represented 43% of revenues for the fiscal year ended June 30, 2023.

The total cost of all governmental activities programs and services was \$58,512,212 for the fiscal year ended June 30, 2023. The District’s expenses are predominantly related to educating and caring for students. Instruction costs were \$33,295,372 (57%) of total expenses and support services costs were \$24,567,089 (42%) of total expenses for the fiscal year ended June 30, 2023.

For fiscal year 2023, total governmental activities revenues exceeded expenses and transfers out increasing net position for governmental activities by \$9,551,198 from the previous year.

Total and Net Cost of Governmental Activities. The District’s total cost of services was \$58,512,212. After applying program revenues, derived from operating and capital grants and contributions of \$16,602,601 and charges for services of \$309,854 the net cost of services of the District is \$41,599,757 for the fiscal year ended June 30, 2023.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction:				
Regular	\$ 18,506,247	\$ 19,155,477	\$ 14,078,377	\$ 14,472,626
Special Education	10,653,159	10,856,587	5,292,472	5,030,046
Other Instruction	3,045,415	855,388	1,055,700	611,314
School Sponsored Activities and Athletics	1,090,551	924,794	894,175	726,579
Support Services:				
Student & Instruction Related Services	8,996,580	7,460,571	6,683,579	5,539,652
General Administrative Services	1,376,093	1,441,941	1,264,557	1,322,437
School Administrative Services	3,514,832	3,698,841	2,940,199	2,926,529
Central Administrative Services	1,356,066	1,438,149	1,266,044	1,228,740
Plant Operations and Maintenance	6,105,356	3,991,798	4,951,113	2,873,826
Pupil Transportation	3,218,162	2,769,692	2,603,160	2,172,209
Interest on Long Term Debt	649,751	735,550	570,381	649,344
Total	<u>\$ 58,512,212</u>	<u>\$ 53,328,788</u>	<u>\$ 41,599,757</u>	<u>\$ 37,553,302</u>

Business-Type Activities – The District’s total business-type activities revenues were \$1,443,621 for the fiscal year ended June 30, 2023. Operating grants and contributions accounted for 56% of total revenues and the remaining 41% of revenues was from charges for services and sales.

Total cost of all business-type activities programs and services was \$1,489,011 for the fiscal year ended June 30, 2023. Food service expenses represented 99% all of the total expenses and the summer session program expenses represented 1% of the total expenses.

For fiscal year 2023, total business-type activities expenses were more than revenues decreasing net position by \$25,390, or 3% from the previous year.

ELMWOOD PARK BOARD OF EDUCATION

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

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$32,353,326 at June 30, 2023, an increase of \$6,961,776 from last year's fund balance of \$25,391,550. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

Revenues for the District's governmental funds were \$70,242,165 while total expenditures were \$63,260,389 for the fiscal year ended June 30, 2023.

GENERAL FUND

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

The following schedule presents a summary of General Fund Revenues.

	<u>Year Ended</u> <u>June 30, 2023</u>	<u>Year Ended</u> <u>June 30, 2022</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Local Sources:				
Property Tax Levy	\$ 34,765,194	\$ 34,765,194		0%
Tuition and Fees	152,256	203,931	\$ (51,675)	-25%
Miscellaneous	1,107,035	319,928	787,107	246%
State Sources	26,117,044	23,232,593	2,884,451	12%
Federal Sources	<u>47,097</u>	<u>20,226</u>	<u>26,871</u>	133%
Total General Fund Revenues	<u>\$ 62,188,626</u>	<u>\$ 58,541,872</u>	<u>\$ 3,646,754</u>	6%

For fiscal year 2023, total General Fund revenues increased \$3,646,754, or 6% from the previous year.

The following schedule presents a summary of General Fund expenditures.

	<u>Year Ended</u> <u>June 30, 2023</u>	<u>Year Ended</u> <u>June 30, 2022</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Instruction	\$ 31,728,340	\$ 29,543,919	\$ 2,184,421	7%
Support Services	21,800,007	19,606,185	2,193,822	11%
Debt Service	23,256	23,256	-	100%
Capital Outlay	<u>1,596,670</u>	<u>2,285,615</u>	<u>(688,945)</u>	-30%
Total Expenditures	<u>\$ 55,148,273</u>	<u>\$ 51,458,975</u>	<u>\$ 3,689,298</u>	7%

ELMWOOD PARK BOARD OF EDUCATION

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

GENERAL FUND (Continued)

For fiscal year 2023, total General Fund expenditures increased \$3,689,298, or 7% from the previous year.

In fiscal year 2023, General Fund revenues exceeded expenditures and other financing uses by \$6,955,353. Therefore, the total fund balance at June 30, 2022 of \$25,259,307 increased to a fund balance of \$32,214,660 at June 30, 2023.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2023, the District had \$44,273,586 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$251,001 for business type activity. The following is a comparison of the June 30, 2023 and 2022 balances:

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 443,610	\$ 443,610			\$ 443,610	\$ 443,610
Construction in Progress	6,082	2,176,539			6,082	2,176,539
Land Improvements	3,874,048	1,678,609			3,874,048	1,678,609
Buildings and Improvements	38,782,454	39,314,973	\$ 170,594	\$ 74,761	38,953,048	39,389,734
Furniture, Equipment and Vehicles	1,132,812	511,623	80,407	88,505	1,213,219	600,128
Right-to-use Leased Equipment	34,580	56,420	-	-	34,580	56,420
Total Capital Assets, Net	\$ 44,273,586	\$ 44,181,774	\$ 251,001	\$ 163,266	\$ 44,524,587	\$ 44,345,040

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

LONG TERM LIABILITIES

At June 30, 2023 the District had \$25,664,340 of total outstanding long-term liabilities. For fiscal year 2022/2023 total outstanding long-term liabilities decreased by \$340,959. The following is a comparison of the June 30, 2023 and 2022 balances:

**Outstanding Long-Term Liabilities
as of June 30, 2023 and 2022**

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Serial Bonds (including unamortized premium)	\$ 19,217,269	\$ 21,218,248
Compensated Absences	1,082,538	707,499
Leases Payable	36,067	58,120
Net Pension Liability	5,176,648	4,021,432
Total	\$ 25,512,522	\$ 26,005,299

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

ELMWOOD PARK BOARD OF EDUCATION

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

For fiscal year 2023 General Fund budgetary revenues exceeded budgetary expenditures and other financing uses increasing budgetary fund balance \$7,151,349. After deducting fund balances restricted, committed and assigned, the unassigned budgetary fund balance decreased \$809,380 from an unassigned fund balance of \$2,753,674 at June 30, 2022 to \$1,944,294 at June 30, 2023. In addition at June 30, 2023 the District had balances in its capital reserve of \$26,129,050, maintenance reserve of \$2,111,853, emergency reserve of \$450,000 and reserved excess surplus of \$2,578,967.

FACTORS BEARING ON THE DISTRICT'S FUTURE

While many factors influence the district's future, the availability of funding for increased enrollment, staffing needs special education costs and the economy will have the most impact on educational and fiscal decisions in the future.

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

These indicators were considered when adopting the budget for fiscal year 2023-2024. Budgeted expenditures in the General Fund increased approximately 23% to \$66,264,168 for fiscal year 2023-2024. Budgeted capital outlay projects was the main factor for the increase which was funded by available capital reserve fund balance.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Elmwood Park Board of Education, 60 East 53rd Street, Elmwood Park, NJ 07407.

FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ELMWOOD PARK BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 33,014,622	\$ 276,026	\$ 33,290,648
Receivables, Net	1,996,742	193,831	2,190,573
Internal Balances	(6,270)	6,270	-
Inventory		6,629	6,629
Capital Assets, Not Being Depreciated	449,692		449,692
Capital Assets, Being Depreciated, Net	<u>43,823,894</u>	<u>251,001</u>	<u>44,074,895</u>
Total Assets	<u>79,278,680</u>	<u>733,757</u>	<u>80,012,437</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	214,273		214,273
Deferred Amounts on Net Pension Liability	<u>395,697</u>	<u>-</u>	<u>395,697</u>
Total Deferred Outflows of Resources	<u>609,970</u>	<u>-</u>	<u>609,970</u>
Total Assets and Deferred Outflows of Resources	<u>79,888,650</u>	<u>733,757</u>	<u>80,622,407</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,446,203	758	2,446,961
Payable to Other Governments	65,028		65,028
Accrued Interest Payable	333,104		333,104
Unearned Revenue	140,537	11,582	152,119
Noncurrent Liabilities			
Due Within One Year	1,940,112		1,940,112
Due Beyond One Year	<u>23,572,410</u>	<u>-</u>	<u>23,572,410</u>
Total Liabilities	<u>28,497,394</u>	<u>12,340</u>	<u>28,509,734</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	984,050		984,050
Deferred Commodities Revenue	<u>-</u>	<u>461</u>	<u>461</u>
Total Deferred Inflows of Resources	<u>984,050</u>	<u>461</u>	<u>984,511</u>
Total Liabilities and Deferred Inflows of Resources	<u>29,481,444</u>	<u>12,801</u>	<u>29,494,245</u>
NET POSITION			
Net Investment in Capital Assets	25,234,523	251,001	25,485,524
Restricted for:			
Capital Projects	26,129,050		26,129,050
Plant Maintenance	2,111,853		2,111,853
Student Activities	138,666		138,666
Unrestricted	<u>(3,206,886)</u>	<u>469,955</u>	<u>(2,736,931)</u>
Total Net Position	<u>\$ 50,407,206</u>	<u>\$ 720,956</u>	<u>\$ 51,128,162</u>

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

ELMWOOD PARK BOARD OF EDUCATION
 STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 18,506,247	\$ 36,350	\$ 3,599,844	\$ 791,676	\$ (14,078,377)		\$ (14,078,377)
Special Education	10,653,159	115,906	5,244,781		(5,292,472)		(5,292,472)
Other Instruction	3,045,415		1,989,715		(1,055,700)		(1,055,700)
School Sponsored Activities and Athletics	1,090,551	157,598	38,778		(894,175)		(894,175)
Support Services:							
Student & Instruction Related Services	8,996,580		2,313,001	-	(6,683,579)		(6,683,579)
General Administrative Services	1,376,093		111,536		(1,264,557)		(1,264,557)
School Administrative Services	3,514,832		574,633		(2,940,199)		(2,940,199)
Central Administrative Services	1,356,066		90,022		(1,266,044)		(1,266,044)
Plant Operations and Maintenance	6,105,356		1,030,011	124,232	(4,951,113)		(4,951,113)
Pupil Transportation	3,218,162		615,002		(2,603,160)		(2,603,160)
Interest on Long Term Debt	649,751	-	79,370	-	(570,381)	-	(570,381)
Total Governmental Activities	58,512,212	309,854	15,686,693	915,908	(41,599,757)	-	(41,599,757)
Business-Type Activities:							
Food Service	1,470,239	597,110	812,378			\$ (60,751)	(60,751)
Summer Session Program	18,772	1,850	-	-	-	(16,922)	(16,922)
Total Business-Type Activities	1,489,011	598,960	812,378	-	-	(77,673)	(77,673)
Total Primary Government	\$ 60,001,223	\$ 908,814	\$ 16,499,071	\$ 915,908	(41,599,757)	(77,673)	(41,677,430)

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

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Property Taxes:			
Levied for General Purposes	\$ 34,765,194		\$ 34,765,194
Levied for Debt Service	2,395,899		2,395,899
State Aid - Unrestricted	12,733,646		12,733,646
State Aid for Debt Service Principal	169,181		169,181
Interest Earnings	874,513		874,513
Miscellaneous Income	232,522	\$ 32,283	264,805
Transfers	(20,000)	20,000	-
Total General Revenues and Transfers	51,150,955	52,283	51,203,238
Change in Net Position	9,551,198	(25,390)	9,525,808
Net Position, Beginning of Year	40,856,008	746,346	41,602,354
Net Position, End of Year	\$ 50,407,206	\$ 720,956	\$ 51,128,162

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 32,875,956	\$ 138,666		\$ 33,014,622
Receivables From Other Governments	414,155	1,578,630		1,992,785
Other Accounts Receivable, Net	3,957			3,957
Due from Other Funds	<u>411,912</u>	<u>-</u>	<u>-</u>	<u>411,912</u>
Total Assets	<u>\$ 33,705,980</u>	<u>\$ 1,717,296</u>	<u>\$ -</u>	<u>\$ 35,423,276</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 388,060	\$ 961,153		\$ 1,349,213
Accrued Salaries and Wages	89,617			89,617
Compensated Absences Payable	106,225			106,225
Payroll Deductions and Withholdings Payable	99			99
Employee Deposits Payable	901,049			901,049
Payable to State Government		65,028		65,028
Due to Other Funds	6,270	411,912		418,182
Unearned Revenue	<u>-</u>	<u>140,537</u>	<u>-</u>	<u>140,537</u>
Total Liabilities	<u>1,491,320</u>	<u>1,578,630</u>	<u>-</u>	<u>3,069,950</u>
Fund Balances:				
Restricted				
Capital Reserve	16,949,149			16,949,149
Capital Reserve - Designated for Subsequent Year's Expenditures	9,179,901			9,179,901
Maintenance Reserve	2,111,853			2,111,853
Emergency Reserve	450,000			450,000
Reserved Excess Surplus	1,114,111			1,114,111
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,464,856			1,464,856
Student Activities		132,596		132,596
Committed				
Year-End Encumbrances	491,510			491,510
Assigned				
Year-End Encumbrances	962,845	6,070		968,915
Unassigned	<u>(509,565)</u>	<u>-</u>	<u>-</u>	<u>(509,565)</u>
Total Fund Balances	<u>32,214,660</u>	<u>138,666</u>	<u>-</u>	<u>32,353,326</u>
Total Liabilities and Fund Balances	<u>\$ 33,705,980</u>	<u>\$ 1,717,296</u>	<u>\$ -</u>	<u>\$ 35,423,276</u>

ELMWOOD PARK BOARD OF EDUCATION
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 AS OF JUNE 30, 2023

Total Fund Balances - Governmental Funds (Exhibit B-1) \$ 32,353,326

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 \$72,751,332 and the accumulated depreciation is \$28,477,746. 44,273,586

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 214,273

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and amortized over future years.

Deferred Outflows of Resources	\$ 395,697	
Deferred Inflows of Resources	<u>(984,050)</u>	(588,353)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (333,104)

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

General Obligation Bonds (including unamortized premium)	(19,217,269)	
Compensated Absences	(1,082,538)	
Leases Payable	(36,067)	
Net Pension Liability	<u>(5,176,648)</u>	<u>(25,512,522)</u>

Total Net Position of Governmental Activities (Exhibit A-1) \$ 50,407,206

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local Sources:				
Property Tax Levy	\$ 34,765,194		\$ 2,395,899	\$ 37,161,093
Tuition	152,256			152,256
Interest Earned	874,513			874,513
Miscellaneous	<u>232,522</u>	\$ 168,237	-	<u>400,759</u>
Total - Local Sources	36,024,485	168,237	2,395,899	38,588,621
State Sources	26,117,044	266,370	248,551	26,631,965
Federal Sources	<u>47,097</u>	<u>4,974,482</u>	-	<u>5,021,579</u>
Total Revenues	<u>62,188,626</u>	<u>5,409,089</u>	<u>2,644,450</u>	<u>70,242,165</u>
EXPENDITURES				
Current Expenditures				
Instruction				
Regular	19,044,781	398,382		19,443,163
Special Education	10,366,009	701,118		11,067,127
Other Instruction	1,385,815	1,747,001		3,132,816
School Sponsored Activities and Athletics	931,735	216,175		1,147,910
Support Services				
Student and Instruction Related Services	7,725,921	1,330,460		9,056,381
General Administrative Services	1,424,764			1,424,764
School Administrative Services	3,724,613			3,724,613
Central Administrative Services	1,434,337			1,434,337
Plant Operations and Maintenance	4,290,009	158,622		4,448,631
Pupil Transportation	3,200,363			3,200,363
Debt Service				
Principal	22,053		1,800,000	1,822,053
Interest	1,203		844,450	845,653
Capital Outlay	<u>1,596,670</u>	<u>915,908</u>	-	<u>2,512,578</u>
Total Expenditures	<u>55,148,273</u>	<u>5,467,666</u>	<u>2,644,450</u>	<u>63,260,389</u>
Excess (Deficiencies) of Revenues				
Over/(Under) Expenditures	<u>7,040,353</u>	<u>(58,577)</u>	-	<u>6,981,776</u>
OTHER FINANCING SOURCES (USES)				
Transfers In		65,000		65,000
Transfers Out	<u>(85,000)</u>	-	-	<u>(85,000)</u>
Total Other Financing Sources (Uses)	<u>(85,000)</u>	<u>65,000</u>	-	<u>(20,000)</u>
Net Change in Fund Balances	6,955,353	6,423	-	6,961,776
Fund Balance, Beginning of Year	<u>25,259,307</u>	<u>132,243</u>	-	<u>25,391,550</u>
Fund Balance, End of Year	<u>\$ 32,214,660</u>	<u>\$ 138,666</u>	<u>\$ -</u>	<u>\$ 32,353,326</u>

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

**ELMWOOD PARK BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 6,961,776

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are allocated over their estimated useful lives as annual depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

Capital Outlays	\$ 2,512,578	
Depreciation Expense	<u>(2,420,766)</u>	91,812

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal Repayments:		
General Obligations Bonds	1,800,000	
Lease Payments	<u>22,053</u>	1,822,053

In the statement of activities, certain amounts related to the issuance of long term debt are deferred and amortized over the term of the debt. In the governmental funds, these amounts either provide or use current resources. These amounts represent the current year amortization of the costs related to the issuance of long term debt.

Deferred Amounts on Refunding of Debt	(42,577)	
Original Issue Premium	<u>200,979</u>	158,402

In the statement of activities, certain operating expenses - compensated absences and pension expense - are measured by the amounts earned or incurred during the year. In the governmental funds however, expenditures for these items are measured by the amount of financial resources used (paid): When the earned or incurred amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

Increase in Compensated Absences	(375,039)	
Decrease in Pension Expense	<u>854,694</u>	479,655

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation.

37,500

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 9,551,198

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

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Non-Major Summer Session Program	Total
ASSETS			
Cash and Cash Equivalents	\$ 230,143	\$ 45,883	\$ 276,026
Intergovernmental Receivable	34,105		34,105
Other Accounts Receivable, Net	159,726		159,726
Due from Other Funds	6,270		6,270
Inventories	<u>6,629</u>	<u>-</u>	<u>6,629</u>
Total Current Assets	<u>436,873</u>	<u>45,883</u>	<u>482,756</u>
Capital Assets			
Building Improvements	193,959		193,959
Equipment	413,763		413,763
Accumulated Depreciation	<u>(356,721)</u>	<u>-</u>	<u>(356,721)</u>
Total Capital Assets, Net	<u>251,001</u>	<u>-</u>	<u>251,001</u>
Total Assets	<u>687,874</u>	<u>45,883</u>	<u>733,757</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	758		758
Unearned Revenue	<u>9,080</u>	<u>2,502</u>	<u>11,582</u>
Total Current Liabilities	<u>9,838</u>	<u>2,502</u>	<u>12,340</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue	<u>461</u>	<u>-</u>	<u>461</u>
Total Liabilities and Deferred Inflow of Resources	<u>10,299</u>	<u>2,502</u>	<u>12,801</u>
NET POSITION			
Investment in Capital Assets	251,001		251,001
Unrestricted	<u>426,574</u>	<u>43,381</u>	<u>469,955</u>
Total Net Position	<u>\$ 677,575</u>	<u>\$ 43,381</u>	<u>\$ 720,956</u>

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

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

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Non-Major Summer Session Program	Total
OPERATING REVENUES			
Local Sources			
Daily Sales - Reimbursable Programs	\$ 513,708		\$ 513,708
Daily Sales - Non-Reimbursable Programs	83,402		83,402
Program Fees	-	\$ 1,850	1,850
Total Operating Revenues	<u>597,110</u>	<u>1,850</u>	<u>598,960</u>
OPERATING EXPENSES			
Salaries and Benefits	129,952	18,772	148,724
Cost of Sales - Reimbursable Programs	1,101,991		1,101,991
Cost of Sales - Non-Reimbursable Programs	59,957		59,957
Purchased Professional and Technical Services	39,544		39,544
Purchased Property Services	64,103		64,103
Supplies and Materials	53,021		53,021
Depreciation	21,671	-	21,671
Total Operating Expenses	<u>1,470,239</u>	<u>18,772</u>	<u>1,489,011</u>
Operating (Loss)	<u>(873,129)</u>	<u>(16,922)</u>	<u>(890,051)</u>
Nonoperating Revenues			
Local Sources			
Paycheck Protection Program Vendor Reimbursement	32,283		32,283
State Sources			
State School Lunch Program	20,822		20,822
State School Breakfast Program	799		799
Federal Sources			
School Breakfast Program	75,984		75,984
National School Lunch Program	526,643		526,643
Supply Chain Assistance	126,422		126,422
Food Distribution Program	61,708	-	61,708
Total Nonoperating Revenues	<u>844,661</u>	<u>-</u>	<u>844,661</u>
Income Before Transfers	(28,468)	(16,922)	(45,390)
Transfers In	-	20,000	20,000
Change in Net Position	(28,468)	3,078	(25,390)
Total Net Position, Beginning of Year	<u>706,043</u>	<u>40,303</u>	<u>746,346</u>
Total Net Position, End of Year	<u>\$ 677,575</u>	<u>\$ 43,381</u>	<u>\$ 720,956</u>

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

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

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Non-Major Summer Session Program	Total
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 459,186	\$ 2,692	\$ 461,878
Cash Payments for Employees Salaries and Benefits	(129,952)	(18,772)	(148,724)
Cash Payments to Suppliers for Goods and Services	(1,337,537)	-	(1,337,537)
Net Cash (Used for) Operating Activities	(1,008,303)	(16,080)	(1,024,383)
Cash Flows from Noncapital Financing Activities			
Cash Received from (Paid to) Other Funds		20,000	-
Cash Received from State and Federal Subsidy Reimbursements	827,402	-	827,402
Net Cash Provided by Noncapital Financing Activities	827,402	20,000	827,402
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(109,407)	-	(109,407)
Net Cash (Used For) Capital and Related Financing Activities	(109,407)	-	(109,407)
Net Increase (Decrease) in Cash and Cash Equivalents	(290,308)	3,920	(306,388)
Cash and Cash Equivalents, Beginning of Year	520,451	41,963	562,414
Cash and Cash Equivalents, End of Year	\$ 230,143	\$ 45,883	\$ 276,026
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities			
Operating (Loss)	\$ (873,129)	\$ (16,922)	(890,051)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities			
Depreciation	21,671		21,671
Non-Cash Federal Assistance - Food Distribution Program	61,708		61,708
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Accounts Receivable	(138,793)		(138,793)
(Increase)/Decrease in Inventory	8,317		8,317
Increase/(Decrease) in Accounts Payable	(84,420)		(84,420)
Increase/(Decrease) in Deferred Commodities Revenue	(4,526)		(4,526)
Increase/(Decrease) in Unearned Revenue	869	842	1,711
Total Adjustments	(135,174)	842	(134,332)
Net Cash (Used For) Operating Activities	\$ (1,008,303)	\$ (16,080)	\$ (1,024,383)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 57,182		\$ 57,182

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

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

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

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

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

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

The *summer session fund* accounts for the activities of the District's middle school summer programs which provides classroom instruction during the summer recess.

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

Reclassifications

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. Inventories

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

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

4. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	20-50
Building Improvements	15-40
Heavy Equipment	10
Office Equipment and Furniture	5-10
Computer Equipment	5
Right-to-use Leased Equipment	5

5. Deferred Outflows/Inflows of Resources

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two items, which arise only under the accrual basis of accounting that qualify for reporting in this category. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item which qualifies in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. *Compensated Absences*

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

7. *Pensions*

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

8. *Leases*

Leases Payable

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

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

9. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred outflows of resources. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

10. *Net Position/Fund Balance*

District-Wide Statements

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. *Net Position/Fund Balance (Continued)*

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

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

11. *Fund Balance Policies*

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

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

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

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

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

2. *Property Taxes*

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

3. *Tuition Revenues and Expenditures*

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

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the General Fund by \$3,368,114 and the Special Revenue Fund by \$7,026,838. The increases were funded by the additional appropriation of unassigned fund balance, capital reserve, maintenance reserve, grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations from the general fund of unassigned fund balance of \$1,023,186, capital reserve of \$417,250 and maintenance reserve of \$931,132.

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

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

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$509,565 in the General Fund as of June 30, 2023 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2022/2023 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$509,565 in the General Fund is less than the delayed state aid payments at June 30, 2023.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve

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

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

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

Balance, July 1, 2022		\$ 18,677,525
Increased by:		
Deposits Approved by Board Resolution	\$ 7,838,775	
Return of Unencumbered Budget Withdrawals	<u>30,000</u>	
		<u>7,868,775</u>
		26,546,300
Decreased by:		
Withdrawals Approved in District Budget		<u>417,250</u>
Balance, June 30, 2023		<u>\$ 26,129,050</u>

The June 30, 2023 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$49,367,404. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan. \$9,179,901 of the capital reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

D. Maintenance Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

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

Balance, July 1, 2022	\$ 2,074,570
Increased by:	
Deposits Approved by Board Resolution	<u>968,415</u>
	3,042,985
Decreased by:	
Withdrawals Approved by Board Resolution	<u>931,132</u>
Balance, June 30, 2023	<u>\$ 2,111,853</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,111,853.

E. Emergency Reserve

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

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

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

Balance, July 1, 2022	<u>\$ 450,000</u>
Balance, June 30, 2023	<u>\$ 450,000</u>

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2023 is \$2,578,967. Of this amount, \$1,464,856 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$1,114,111 will be appropriated in the 2024/2025 original budget certified for taxes.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$33,290,648 and bank and brokerage firm balances of the Board's deposits amounted to \$37,582,788. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 36,373,015
Uninsured and Collateralized	<u>1,209,773</u>
	<u>\$ 37,582,788</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2023 the Board's bank balance of \$1,209,773 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name

\$ 1,209,773

Investments

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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

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

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

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

B. Receivables

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

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental				
Local	\$ 19,952			\$ 19,952
State	394,203		\$ 1,133	395,336
Federal		\$ 1,578,630	32,972	1,611,602
Accounts	<u>3,957</u>	<u>-</u>	<u>159,726</u>	<u>163,683</u>
Gross Receivables	418,112	1,578,630	193,831	2,190,573
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 418,112</u>	<u>\$ 1,578,630</u>	<u>\$ 193,831</u>	<u>\$ 2,190,573</u>

C. Unearned Revenue

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

	<u>Unearned</u>
Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 15,630
Grant Draw Downs Year-End for Encumbrances	<u>124,907</u>
Total Deferred Revenue for Governmental Funds	<u>\$ 140,537</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 443,610			\$ 443,610
Construction in Progress	<u>2,176,539</u>	\$ 620,144	\$ (2,790,601)	<u>6,082</u>
Total Capital Assets, Not Being Depreciated	<u>2,620,149</u>	<u>620,144</u>	<u>(2,790,601)</u>	<u>449,692</u>
Capital Assets, Being Depreciated:				
Land Improvements	2,359,631	2,419,387		4,779,018
Building and Building Improvements	62,565,414	1,345,694		63,911,108
Machinery and Equipment	2,584,360	917,954		3,502,314
Right-to-use Leased Equipment	<u>109,200</u>	<u>-</u>	<u>-</u>	<u>109,200</u>
Total Capital Assets Being Depreciated	<u>67,618,605</u>	<u>4,683,035</u>	<u>-</u>	<u>72,301,640</u>
Less Accumulated Depreciation for:				
Land Improvements	(681,022)	(223,948)		(904,970)
Buildings and Improvements	(23,250,441)	(1,878,213)		(25,128,654)
Machinery and Equipment	(2,072,737)	(296,765)		(2,369,502)
Righth-to-use Leased Equipment	<u>(52,780)</u>	<u>(21,840)</u>	<u>-</u>	<u>(74,620)</u>
Total Accumulated Depreciation	<u>(26,056,980)</u>	<u>(2,420,766)</u>	<u>-</u>	<u>(28,477,746)</u>
Total Capital Assets, Being Depreciated, Net	<u>41,561,625</u>	<u>2,262,269</u>	<u>-</u>	<u>43,823,894</u>
Governmental Activities Capital Assets, Net	<u>\$ 44,181,774</u>	<u>\$ 2,882,413</u>	<u>\$ (2,790,601)</u>	<u>\$ 44,273,586</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2022	Increases	Decreases	Balance, June 30, 2023
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Building Improvements	\$ 93,452	\$ 100,507		\$ 193,959
Equipment	<u>404,863</u>	<u>8,900</u>	-	<u>413,763</u>
Total Capital Assets Being Depreciated	<u>498,315</u>	<u>109,407</u>	-	<u>607,722</u>
Less Accumulated Depreciation for:				
Building Improvements	(18,692)	(4,673)		(23,365)
Equipment	<u>(316,358)</u>	<u>(16,998)</u>	-	<u>(333,356)</u>
Total Accumulated Depreciation	<u>(335,050)</u>	<u>(21,671)</u>	-	<u>(356,721)</u>
Total Capital Assets, Being Depreciated, Net	<u>163,265</u>	<u>87,736</u>	-	<u>251,001</u>
Business-Type Activities Capital Assets, Net	<u>\$ 163,265</u>	<u>\$ 87,736</u>	<u>\$ -</u>	<u>\$ 251,001</u>

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

Governmental Activities:

Instruction		
Regular		\$ 215,936
Special Education		<u>3,106</u>
Total Instruction		<u>219,042</u>
Support Services		
Student and Instruction Related Services		332,364
General Administrative Services		835
School Administrative Services		30,319
Plant Operations and Maintenance		1,814,539
Pupil Transportation		<u>23,667</u>
Total Support Services		<u>2,201,724</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 2,420,766</u>
Business-Type Activities:		
Food Service Fund		<u>\$ 21,671</u>
Total Depreciation Expense - Business-Type Activities		<u>\$ 21,671</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2023:

<u>Project</u>	<u>Remaining Commitment</u>
District Network Upgrades	\$ 333,092
16th Avenue School Masonry Repairs	243,320
District-Wide Painting and Bathroom Repairs	489,000
Memorial HS/MS Walk-in Refrigerator Replacement	76,494
Gilbert School Stair Repairs	<u>49,027</u>
	<u>\$ 1,190,933</u>

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 411,912
Food Service Fund	General Fund	<u>6,270</u>
		<u>\$ 418,182</u>

The above balances are the result of revenues deposited in one fund which are due to another fund or to cover cash balances which were in an overdraft position.

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

Interfund Transfers

<u>Transfer Out:</u>	<u>Transfer In:</u>		
	<u>Special Revenue</u>	<u>Summer Session Enterprise Fund</u>	<u>Total</u>
General Fund	<u>\$ 65,000</u>	<u>\$ 20,000</u>	<u>\$ 85,000</u>

The above transfers are the result of budget appropriations or fund balances available in one fund to finance expenditures in another fund.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases Payable

On February 13, 2020, the District entered into a 5 year lease agreement as lessee for the use of photo copiers. An initial lease liability was recorded in the amount of \$109,200. The lease has an interest rate of 2.5%. The District is required to make monthly payments of \$1,938. In addition, the District has the option to purchase the equipment for fair market value at the end of the lease term. As of June 30, 2023 the value of the lease liability was \$36,067. The equipment has a 5 year estimated useful life. The value of the right -to-use asset as of June 30, 2023 is \$109,200 and had accumulated depreciation of \$74,620.

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 22,612	\$ 644	\$ 23,256
2025	<u>13,455</u>	<u>112</u>	<u>13,567</u>
Total	<u>\$ 36,067</u>	<u>\$ 756</u>	<u>\$ 36,823</u>

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2023 are comprised of the following issues:

\$9,290,000, 2014 Bonds, due in annual installments of \$370,000 to \$600,000 through August 1, 2034, interest at 4.00% to 5.00%	\$6,430,000
\$21,275,000, 2014 Refunding Bonds, due in annual installments of \$1,445,000 to \$1,950,000 through August 1, 2029, interest at 4.00% to 5.00%	<u>11,540,000</u>
Total	<u>\$17,970,000</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

Governmental Activities:

Year Ended June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,890,000	\$ 752,200	\$ 2,642,200
2025	1,970,000	655,700	2,625,700
2026	2,055,000	555,075	2,610,075
2027	2,150,000	449,950	2,599,950
2028	2,255,000	351,100	2,606,100
2029-2033	6,450,000	677,800	7,127,800
2034-2035	<u>1,200,000</u>	<u>48,000</u>	<u>1,248,000</u>
Totals	<u>\$ 17,970,000</u>	<u>\$ 3,489,825</u>	<u>\$ 21,459,825</u>

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	\$ 100,300,117
Less: Net Debt Issued and Authorized But Not Issued	<u>17,970,000</u>
Remaining Borrowing Power	<u>\$ 82,330,117</u>

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds Payable	\$ 19,770,000		\$ 1,800,000	\$ 17,970,000	\$ 1,890,000
Add: Unamortized Premium	<u>1,448,248</u>	<u>-</u>	<u>200,979</u>	<u>1,247,269</u>	<u>-</u>
	21,218,248	-	2,000,979	19,217,269	1,890,000
Compensated Absences	707,499	\$ 493,764	118,725	1,082,538	27,500
Leases Payable	58,120		22,053	36,067	22,612
Net Pension Liability	<u>4,021,432</u>	<u>1,587,781</u>	<u>432,565</u>	<u>5,176,648</u>	<u>-</u>
Governmental Activities Long-Term Liabilities	<u>\$ 26,005,299</u>	<u>\$ 2,081,545</u>	<u>\$ 2,574,322</u>	<u>\$ 25,512,522</u>	<u>\$ 1,940,112</u>

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

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the New Jersey Schools Insurance Group (NJSIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

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

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

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

The following represent the membership tiers for TPAF:

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

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

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

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

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

Other Pension Funds

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2023	\$ 432,565	\$ 5,722,155	\$ 47,981
2022	397,549	5,717,115	44,786
2021	377,938	3,999,926	43,774

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2023, 2022 and 2021 the State contributed \$2,927, \$3,050 and \$3,579, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,275,372 during the fiscal year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$5,176,648 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2022. At June 30, 2022, the District's proportionate share was .03430 percent, which was an increase of .00035 percent from its proportionate share measured as of June 30, 2021 of .03395 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$(422,129) for PERS. The pension contribution made by the District during the current 2022/2023 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 37,363	\$ 32,949
Changes of Assumptions	16,039	775,149
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	214,257	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>128,038</u>	<u>175,952</u>
Total	<u>\$ 395,697</u>	<u>\$ 984,050</u>

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

<u>Year Ending June 30,</u>	<u>Total</u>
2023	\$ (445,432)
2024	(370,613)
2025	(70,685)
2026	296,696
2027	1,681
Thereafter	<u>-</u>
	<u>\$ (588,353)</u>

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 6,650,476</u>	<u>\$ 5,176,648</u>	<u>\$ 3,922,361</u>

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

Pension Plan Fiduciary Net Position

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,901,557 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the net pension liability attributable to the District is \$70,656,250. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was .13695 percent, which was an increase of .00192 percent from its proportionate share measured as of June 30, 2021 of .13503 percent.

Actuarial Assumptions

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

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Mortality Rates

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

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

Long-Term Expected Rate of Return

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 82,845,955</u>	<u>\$ 70,656,250</u>	<u>\$ 60,387,956</u>

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

Pension Plan Fiduciary Net Position

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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

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

Plan Membership

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

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

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

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$1,503,196, \$1,335,749 and \$1,253,514, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$3,165,039. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State’s proportionate share of the OPEB liability attributable to the District is \$53,683,718. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state’s share of the OPEB liability attributable to the District was .10600 percent, which was a decrease of .00067 percent from its proportionate share measured as of June 30, 2021 of .10667 percent.

Actuarial Assumptions

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

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

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

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

Health Care Trend Assumptions

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

Discount Rate

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2021 Measurement Date	\$ <u>64,010,957</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,086,128
Interest on the Total OPEB Liability	1,422,678
Differences Between Expected and Actual Experience	(70,910)
Changes of Assumptions	(14,401,139)
Gross Benefit Payments	(1,409,204)
Contributions from the Member	45,208
Net Changes	\$ <u>(10,327,239)</u>
Balance, June 30, 2022 Measurement Date	\$ <u>53,683,718</u>

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

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

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 202.**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 63,099,563</u>	<u>\$ 53,683,718</u>	<u>\$ 46,137,389</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 44,372,874</u>	<u>\$ 53,683,718</u>	<u>\$ 65,914,077</u>

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

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

NOTE 4 OTHER INFORMATION (Continued)

F. Tax Abatements

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

For Elmwood Park Board of Education, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

G. Subsequent Events

Appropriation of Fund Balance

On August 22, 2023 the Board approved the appropriation of \$1,009,702 of General Fund unassigned fund balance to the 2023/2024 budget.

On August 22, 2023 and September 26, 2023 the Board approved the appropriations of an additional \$213,172 of Maintenance Reserve restricted fund balance to the 2023/2024 budget.

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

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

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

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

The Board has been awarded a total of \$8,197,974 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 34,765,194		\$ 34,765,194	\$ 34,765,194	
Tuition from Other LEA's / Within State				152,256	\$ 152,256
Interest Earned				874,513	874,513
Interest Earned in Emergency Reserve	250		250		(250)
Interest Earned in Maintenance Reserve	750		750		(750)
Interest Earned in Capital Reserve Funds	1,000		1,000		(1,000)
Unrestricted Miscellaneous	130,000	-	130,000	232,522	102,522
Total Local Revenues	<u>34,897,194</u>	<u>-</u>	<u>34,897,194</u>	<u>36,024,485</u>	<u>1,127,291</u>
State Sources					
Special Education Aid	2,318,383	-	2,318,383	2,318,383	-
Equalization Aid	12,963,648	-	12,963,648	12,963,648	-
Security Aid	760,674	-	760,674	760,674	-
Transportation Aid	547,120	-	547,120	547,120	-
Extraordinary Special Education Costs Aid				946,064	946,064
Nonpublic School Transportation Costs				63,638	63,638
Lead Testing for Schools Aid				3,636	3,636
Homeless Tuition Reimbursement				206,227	206,227
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				5,643,853	5,643,853
Pension - NCGI Premium				78,302	78,302
Post Retirement Medical Benefit Contribution				1,503,196	1,503,196
Long Term Disability Insurance				2,927	2,927
Reimbursed Social Security Contribution	-	-	-	1,275,372	1,275,372
Total State Revenues	<u>16,589,825</u>	<u>-</u>	<u>16,589,825</u>	<u>26,313,040</u>	<u>9,723,215</u>
Federal Sources					
FFCRA/SEMI				685	685
Special Education Medicaid Initiative Reimbursement	45,061	-	45,061	46,412	1,351
Total Federal Revenues	<u>45,061</u>	<u>-</u>	<u>45,061</u>	<u>47,097</u>	<u>2,036</u>
Total Revenues	<u>51,532,080</u>	<u>-</u>	<u>51,532,080</u>	<u>62,384,622</u>	<u>10,852,542</u>
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	565,952	\$ (1,869)	564,083	526,226	37,857
Grades 1-5	3,931,466	(161,942)	3,769,524	3,502,687	266,837
Grades 6-8	2,460,387	(18,140)	2,442,247	2,180,987	261,260
Grades 9-12	3,734,000	(12,736)	3,721,264	3,224,121	497,143
Regular Programs - Home Instruction					
Salaries of Teachers	15,000	26,115	41,115	41,115	-
Purchased Professional-Educational Services	12,000	16,322	28,322	28,322	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	119,669	16,557	136,226	135,482	744
Purchased Professional-Educational Services	15,000	-	15,000	7,357	7,643
Purchased Technical Services	85,000	(300)	84,700	36,868	47,832
Other Purchased Services	190,700	72,870	263,570	208,876	54,694
General Supplies	628,951	(72,125)	556,826	277,238	279,588
Textbooks	1,025,552	(15,851)	1,009,701	160,011	849,690
Total Regular Programs	<u>12,783,677</u>	<u>(151,099)</u>	<u>12,632,578</u>	<u>10,329,290</u>	<u>2,303,288</u>

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	\$ 374,646	\$ 73,368	\$ 448,014	\$ 441,626	\$ 6,388
Other Salaries for Instruction	<u>171,400</u>	<u>-</u>	<u>171,400</u>	<u>62,287</u>	<u>109,113</u>
Total Learning / Language Disabilities	<u>546,046</u>	<u>73,368</u>	<u>619,414</u>	<u>503,913</u>	<u>115,501</u>
Behavioral Disabilities					
Salaries of Teachers	111,778	-	111,778	107,600	4,178
Other Salaries for Instruction	<u>18,600</u>	<u>-</u>	<u>18,600</u>	<u>-</u>	<u>18,600</u>
Total Behavioral Disabilities	<u>130,378</u>	<u>-</u>	<u>130,378</u>	<u>107,600</u>	<u>22,778</u>
Multiple Disabilities					
Salaries of Teachers	325,411	11,500	336,911	291,684	45,227
Other Salaries for Instruction	<u>37,200</u>	<u>5,839</u>	<u>43,039</u>	<u>43,039</u>	<u>-</u>
General Supplies	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>100</u>	<u>1,900</u>
Total Multiple Disabilities	<u>364,611</u>	<u>17,339</u>	<u>381,950</u>	<u>334,823</u>	<u>47,127</u>
Resource Room / Resource Center					
Salaries of Teachers	1,851,554	(33,000)	1,818,554	1,655,218	163,336
Other Salaries for Instruction	<u>130,200</u>	<u>52,274</u>	<u>182,474</u>	<u>123,152</u>	<u>59,322</u>
General Supplies	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>312</u>	<u>688</u>
Total Resource Room / Resource Center	<u>1,982,754</u>	<u>19,274</u>	<u>2,002,028</u>	<u>1,778,682</u>	<u>223,346</u>
Autism					
Salaries of Teachers	583,218	(21,797)	561,421	438,321	123,100
Other Salaries for Instruction	<u>626,000</u>	<u>(266,657)</u>	<u>359,343</u>	<u>255,748</u>	<u>103,595</u>
General Supplies	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>6,862</u>	<u>8,138</u>
Total Autism	<u>1,224,218</u>	<u>(288,454)</u>	<u>935,764</u>	<u>700,931</u>	<u>234,833</u>
Preschool Disabilities - Part - Time					
Salaries of Teachers	184,470	5,000	189,470	182,230	7,240
Other Salaries for Instruction	<u>37,200</u>	<u>-</u>	<u>37,200</u>	<u>-</u>	<u>37,200</u>
Total Preschool Disabilities - Part - Time	<u>221,670</u>	<u>5,000</u>	<u>226,670</u>	<u>182,230</u>	<u>44,440</u>
Preschool Disabilities - Full - Time					
Salaries of Teachers	171,412	(29,546)	141,866	116,621	25,245
Other Salaries for Instruction	<u>87,200</u>	<u>50,890</u>	<u>138,090</u>	<u>73,350</u>	<u>64,740</u>
Total Preschool Disabilities - Full - Time	<u>258,612</u>	<u>21,344</u>	<u>279,956</u>	<u>189,971</u>	<u>89,985</u>
Home Instruction					
Salaries of Teachers	<u>40,000</u>	<u>9,855</u>	<u>49,855</u>	<u>33,735</u>	<u>16,120</u>
Total Home Instruction	<u>40,000</u>	<u>9,855</u>	<u>49,855</u>	<u>33,735</u>	<u>16,120</u>
Total Special Education	<u>4,768,289</u>	<u>(142,274)</u>	<u>4,626,015</u>	<u>3,831,885</u>	<u>794,130</u>

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Basic Skills/Remedial					
Salaries of Teachers	\$ 368,095	\$ 144,530	\$ 512,625	\$ 478,306	\$ 34,319
Total Basic Skills/Remedial	<u>368,095</u>	<u>144,530</u>	<u>512,625</u>	<u>478,306</u>	<u>34,319</u>
Bilingual Education					
Salaries of Teachers	326,608	1,500	328,108	313,472	14,636
Total Bilingual Education	<u>326,608</u>	<u>1,500</u>	<u>328,108</u>	<u>313,472</u>	<u>14,636</u>
School Sponsored Co-Curricular Activities					
Salaries	158,673	56,863	215,536	176,700	38,836
Purchased Services	6,000	-	6,000	5,939	61
Supplies and Materials	6,000	4,494	10,494	6,148	4,346
Total School Sponsored Co-Curricular Activities	<u>170,673</u>	<u>61,357</u>	<u>232,030</u>	<u>188,787</u>	<u>43,243</u>
School Sponsored Athletics - Instruction					
Salaries	369,629	(10,354)	359,275	332,936	26,339
Purchased Services	124,359	(72,342)	52,017	51,824	193
Supplies and Materials	51,975	5,982	57,957	38,267	19,690
Other Objects	15,604	5,300	20,904	18,887	2,017
Total School Sponsored Athletics - Instruction	<u>561,567</u>	<u>(71,414)</u>	<u>490,153</u>	<u>441,914</u>	<u>48,239</u>
Other Suppl./At Risk Program - Instruction					
Salaries of Teacher Tutors	125,000	36,700	161,700	57,043	104,657
Total Other Suppl./At Risk Program - Instruction	<u>125,000</u>	<u>36,700</u>	<u>161,700</u>	<u>57,043</u>	<u>104,657</u>
Total - Instruction	<u>19,103,909</u>	<u>(120,700)</u>	<u>18,983,209</u>	<u>15,640,697</u>	<u>3,342,512</u>
Undistributed Expenditures					
Instruction (Tuition)					
Tuition - Other LEA's Within State - Special	587,000	-	587,000	508,871	78,129
Tuition to County Vocational School District-Reg.	447,930	-	447,930	446,737	1,193
Tuition to County Vocational School District-Spec.	1,126,080	(80,188)	1,045,892	814,376	231,516
Tuition to County Special Services School Districts & Regional Day Schools	1,628,955	477,264	2,106,219	1,494,851	611,368
Tuition to Private Schools - Disabled Within State	1,954,761	(40,000)	1,914,761	1,141,167	773,594
Tuition - State Facilities	61,944	-	61,944	61,944	-
Tuition - Other	-	971	971	971	-
Total Undistributed - Instruction (Tuition)	<u>5,806,670</u>	<u>358,047</u>	<u>6,164,717</u>	<u>4,468,917</u>	<u>1,695,800</u>
Attendance and Social Work Services					
Salaries	188,118	3,035	191,153	191,153	-
Supplies and Materials	600	-	600	60	540
Total Attendance and Social Work Services	<u>188,718</u>	<u>3,035</u>	<u>191,753</u>	<u>191,213</u>	<u>540</u>

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Health Services					
Salaries	\$ 352,976	\$ (15,195)	\$ 337,781	\$ 291,829	\$ 45,952
Purchased Professional and Technical Services	34,000	73,072	107,072	100,040	7,032
Supplies and Materials	16,020	1,525	17,545	11,717	5,828
Total Health Services	402,996	59,402	462,398	403,586	58,812
Speech, OT, PT and Related Services					
Salaries	526,440	(18,650)	507,790	475,654	32,136
Purchased Professional - Educational Services	478,000	67,699	545,699	537,881	7,818
Supplies and Materials	4,000	-	4,000	3,699	301
Total Speech, OT, PT and Related Services	1,008,440	49,049	1,057,489	1,017,234	40,255
Other Support Services-Students-Extra Services					
Salaries	658,400	88,393	746,793	619,951	126,842
Purchased Professional-Educational Services	1,401,500	(199,133)	1,202,367	1,054,171	148,196
Supplies and Materials	2,000	-	2,000	-	2,000
Total Other Support Services-Extra Services	2,061,900	(110,740)	1,951,160	1,674,122	277,038
Guidance					
Salaries of Other Professional Staff	587,675	(81,939)	505,736	483,033	22,703
Salaries of Secretarial and Clerical Assistants	47,905	2,000	49,905	46,021	3,884
Other Purchased Services	8,800	-	8,800	3,576	5,224
Supplies and Materials	1,000	-	1,000	942	58
Total Guidance	645,380	(79,939)	565,441	533,572	31,869
Child Study Team					
Salaries of Other Professional Staff	940,922	(93,159)	847,763	745,513	102,250
Salaries of Secretarial and Clerical Assistants	45,898	-	45,898	34,874	11,024
Other Purchased Professional and Technical Services	53,000	4,110	57,110	19,257	37,853
Other Purchased Services	5,000	-	5,000	2,323	2,677
Supplies and Materials	15,000	-	15,000	12,621	2,379
Total Child Study Team	1,059,820	(89,049)	970,771	814,588	156,183
Improvement of Instruction Services					
Salaries of Supervisor of Instruction	142,572	(15,115)	127,457	113,438	14,019
Other Salaries	-	30,115	30,115	30,115	-
Other Purchased Professional and Technical Services	93,500	5,789	99,289	19,921	79,368
Other Purchased Services	10,000	-	10,000	2,323	7,677
Supplies and Materials	40,000	(9,500)	30,500	10,938	19,562
Total Improvement of Instruction Services	286,072	11,289	297,361	176,735	120,626

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Educational Media Services/School Library					
Salaries	\$ 182,465	\$ 20,577	\$ 203,042	\$ 202,458	\$ 584
Salaries - Technology Coordinator		288,931	288,931	250,295	38,636
Other Purchased Services	7,500	-	7,500	6,567	933
Supplies and Materials	8,290	(513)	7,777	4,717	3,060
Total Educational Media Services/School Library	198,255	308,995	507,250	464,037	43,213
Instructional Staff Training Services					
Salaries of Supervisor of Instruction	137,572	(10,000)	127,572	106,859	20,713
Total Instructional Staff Training Services	137,572	(10,000)	127,572	106,859	20,713
Support Services General Administration					
Salaries	533,485	50,000	583,485	458,604	124,881
Legal Services	95,000	15,000	110,000	22,609	87,391
Audit Fees	50,000	36,150	86,150	42,481	43,669
Architectural/Engineering Services	20,000	8,972	28,972	-	28,972
Other Purchased Professional Services	24,350	7,835	32,185	31,685	500
Communications/Telephone	243,494	(96,835)	146,659	97,301	49,358
Miscellaneous Purchased Services	335,026	2,000	337,026	275,018	62,008
General Supplies	9,110	603	9,713	7,670	2,043
Miscellaneous Expenditures	2,000	32	2,032	2,032	-
BOE Membership Dues and Fees	25,955	2,287	28,242	23,904	4,338
Total Support Services General Administration	1,338,420	26,044	1,364,464	961,304	403,160
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,864,132	48,311	1,912,443	1,777,845	134,598
Salaries of Secretarial and Clerical Assistants	445,205	11,689	456,894	433,224	23,670
Other Purchased Services	59,792	2,864	62,656	51,510	11,146
Supplies and Materials	37,110	(2,512)	34,598	26,137	8,461
Total Support Services School Administration	2,406,239	60,352	2,466,591	2,288,716	177,875
Central Services					
Salaries	602,635	50,000	652,635	584,819	67,816
Purchased Professional Services	68,000	(8,173)	59,827	59,759	68
Purchased Technical Services	25,000	8,380	33,380	31,888	1,492
Travel	2,081	-	2,081	-	2,081
Other Objects	16,500	-	16,500	12,943	3,557
Supplies and Materials	10,768	-	10,768	10,359	409
Total Central Services	724,984	50,207	775,191	699,768	75,423

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Administration Information Technology					
Salaries	\$ 319,043	-	\$ 319,043	\$ 173,968	\$ 145,075
Purchased Technical Services	116,000	\$ 44,337	160,337	102,980	57,357
Other Purchased Services	44,052	-	44,052	4,708	39,344
Supplies and Materials	28,236	-	28,236	26,308	1,928
Total Administration Information Technology	<u>507,331</u>	<u>44,337</u>	<u>551,668</u>	<u>307,964</u>	<u>243,704</u>
Required Maintenance for School Facilities					
Salaries	306,804	(5,323)	301,481	254,144	47,337
Cleaning, Repair & Maintenance Services	480,107	872,684	1,352,791	552,523	800,268
General Supplies	87,404	79,933	167,337	136,188	31,149
Other Objects	580	-	580	500	80
Total Required Maintenance for School Facilities	<u>874,895</u>	<u>947,294</u>	<u>1,822,189</u>	<u>943,355</u>	<u>878,834</u>
Custodial Services					
Salaries	1,431,966	17,050	1,449,016	1,205,392	243,624
Salaries of Non-Instructional Aides	130,500	(3,840)	126,660	45,498	81,162
Cleaning, Repair and Maintenance Services	94,497	-	94,497	48,617	45,880
Other Purchased Property Services	37,886	1,642	39,528	6,694	32,834
Insurance	326,127	-	326,127	178,580	147,547
General Supplies	125,408	2,808	128,216	63,891	64,325
Energy (Natural Gas)	300,000	-	300,000	199,901	100,099
Energy (Electricity)	644,700	-	644,700	437,925	206,775
Energy (Gasoline)	10,000	-	10,000	-	10,000
Total Custodial Services	<u>3,101,084</u>	<u>17,660</u>	<u>3,118,744</u>	<u>2,186,498</u>	<u>932,246</u>
Care and Upkeep of Grounds					
Purchased Professional and Technical Services	138,573	23,490	162,063	102,444	59,619
Cleaning, Repair and Maintenance Services	21,632	492	22,124	8,092	14,032
Total Care and Upkeep of Grounds	<u>160,205</u>	<u>23,982</u>	<u>184,187</u>	<u>110,536</u>	<u>73,651</u>
Security					
Salaries	48,768	10,000	58,768	54,118	4,650
Purchased Professional and Technical Services	134,318	53,933	188,251	185,956	2,295
General Supplies	5,000	131	5,131	4,541	590
Total Security	<u>188,086</u>	<u>64,064</u>	<u>252,150</u>	<u>244,615</u>	<u>7,535</u>
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	15,350	1,366	16,716	16,716	-
Salaries for Pupil Transportation (Between Home and School) - Special	15,350	-	15,350	15,216	134
Salaries for Pupil Transportation (Other Than Between Home & School)	30,000	-	30,000	26,050	3,950
Cleaning, Repair and Maintenance Services	9,500	3,349	12,849	12,849	-
Contracted Services - Aid-in-Lieu-Nonpublic Schools	220,000	(842)	219,158	178,058	41,100
Contracted Services (Other Than Between Home and School) - Vendors	65,000	95,515	160,515	65,689	94,826
Contracted Services (Regular) - ESC's & CTSA's	370,000	25,000	395,000	270,008	124,992
Contracted Services (Spec. Ed.) - ESC's & CTSA's	3,200,000	277,830	3,477,830	2,584,826	893,004
Miscellaneous Purchased Services - Transportation	1,393	-	1,393	150	1,243
Total Student Transportation Services	<u>3,926,593</u>	<u>402,218</u>	<u>4,328,811</u>	<u>3,169,562</u>	<u>1,159,249</u>

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 500,000	\$ 342,327	\$ 842,327	\$ 837,271	\$ 5,056
Other Retirement Contributions - PERS	465,000	(32,435)	432,565	432,565	-
Other Retirement Contributions - DCRP	70,000	(22,018)	47,982	47,981	1
Unemployment Compensation	100,000	(11,544)	88,456	88,456	-
Workmen's Compensation	226,117	(28,898)	197,219	197,219	-
Health Benefits	5,706,364	(223,938)	5,482,426	5,482,425	1
Tuition Reimbursement	64,260	(20,493)	43,767	43,766	1
Other Employee Benefits	112,000	33,869	145,869	145,869	-
Unused Sick Payment to Terminated/Retired Staff	13,086	-	13,086	12,500	586
Total Unallocated Benefits	7,256,827	36,870	7,293,697	7,288,052	5,645
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				5,643,853	(5,643,853)
Pension - NCGI Premium				78,302	(78,302)
Post Retirement Medical Benefit Contribution				1,503,196	(1,503,196)
Long Term Disability Insurance				2,927	(2,927)
Reimbursed Social Security Contribution	-	-	-	1,275,372	(1,275,372)
Total On-Behalf Contributions	-	-	-	8,503,650	(8,503,650)
Total Undistributed Expenditures	32,280,487	2,173,117	34,453,604	36,554,883	(2,101,279)
Interest on Maintenance Reserve	750	-	750		750
Interest on Current Expense Emergency Reserve	250	-	250	-	250
Total Expenditures - Current Expenditures	51,385,396	2,052,417	53,437,813	52,195,580	1,242,233
CAPITAL OUTLAY					
Equipment					
Grades 9-12		2,668	2,668	2,668	-
Undistributed Expenditures - Req. Maint. for School Fac.	-	44,665	44,665	44,665	-
Total Equipment	-	47,333	47,333	47,333	-
Facilities Acquisition and Construction Services					
Legal Services	-	30,000	30,000	-	30,000
Architectural/Engineering Services	55,000	438,613	493,613	474,638	18,975
Construction Services	1,245,000	619,563	1,864,563	1,074,699	789,864
Assessment for Debt Service on SDA Funding	170,358	-	170,358	170,358	-
Total Facilities Acquisition and Construction Services	1,470,358	1,088,176	2,558,534	1,719,695	838,839
Interest on Capital Reserve	1,000	-	1,000	-	1,000
Total Capital Outlay	1,471,358	1,135,509	2,606,867	1,767,028	839,839
Transfer of Funds to Charter Schools	1,075,326	120,188	1,195,514	1,185,665	9,849
Total Expenditures	\$ 53,932,080	\$ 3,308,114	\$ 57,240,194	\$ 55,148,273	\$ 2,091,921
(Under) Expenditures	(2,400,000)	(3,308,114)	(5,708,114)	7,236,349	12,944,463
Other Financing Sources / (Uses)					
Transfers Out - Special Revenue Fund		(60,000)	(60,000)	(65,000)	(5,000)
Transfers Out - Summer Session Enterprise Fund	-	-	-	(20,000)	(20,000)
Total Other Financing Sources / (Uses)	\$ -	\$ (60,000)	\$ (60,000)	\$ (85,000)	\$ (25,000)

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
Net Change in Fund Balances	\$ (2,400,000)	\$ (3,368,114)	\$ (5,768,114)	\$ 7,151,349	\$ 12,919,463
Fund Balances, Beginning of Year	<u>27,517,170</u>	-	<u>27,517,170</u>	<u>27,517,170</u>	-
Fund Balances, End of Year	<u>\$ 25,117,170</u>	<u>\$ (3,368,114)</u>	<u>\$ 21,749,056</u>	<u>\$ 34,668,519</u>	<u>\$ 12,919,463</u>
Recapitulation of Fund Balance					
Restricted					
Capital Reserve				\$ 16,949,149	
Capital Reserve - Designated for Subsequent Year's Expenditures				9,179,901	
Maintenance Reserve				2,111,853	
Emergency Reserve				450,000	
Reserved Excess Surplus				1,114,111	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				1,464,856	
Committed					
Year-End Encumbrances				491,510	
Assigned					
Year-End Encumbrances				962,845	
Unassigned					
				<u>1,944,294</u>	
Fund Balance Per State Budgetary Basis of Accounting				34,668,519	
Reconciliation to Governmental Funds Statements (GAAP)					
Less: State Aid Revenue Not Recognized on GAAP Basis				<u>(2,453,859)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 32,214,660</u>	

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 214,857	\$ 116,541	\$ 331,398	\$ 266,370	\$ (65,028)
Federal	1,267,276	6,731,782	7,999,058	4,935,284	(3,063,774)
Local Sources					
Miscellaneous	70,000	178,515	248,515	168,237	(80,278)
Total Revenues	<u>1,552,133</u>	<u>7,026,838</u>	<u>8,578,971</u>	<u>5,369,891</u>	<u>(3,209,080)</u>
EXPENDITURES					
Instruction					
Salaries	717,611	(304,585)	413,026	291,785	121,241
Purchased Professional and Technical Services		25,200	25,200	25,200	-
Purchased Professional and Educational Services	57,260	(57,260)		-	-
Tuition	562,405	111,937	674,342	674,342	-
General Supplies	7,392	3,361,854	3,369,246	1,933,130	1,436,116
Textbooks	10,563	3,033	13,596	13,555	41
Other Objects		250	250	250	-
Co-Curricular/Extra-Curricular Activities	-	222,245	222,245	222,245	-
Total Instruction	<u>1,355,231</u>	<u>3,362,674</u>	<u>4,717,905</u>	<u>3,160,507</u>	<u>1,557,398</u>
Support Services					
Other Salaries		1,366,085	1,366,085	698,282	667,803
Personal Services - Employee Benefits		171,868	171,868	171,868	-
Purchased Professional and Technical Services	30,800	552,373	583,173	82,352	500,821
Purchased Professional and Educational Services	166,102	163,611	329,713	239,193	90,520
Other Purchased Services		260,514	260,514	171,167	89,347
Supplies and Materials	-	56,905	56,905	50,100	6,805
Total Support Services	<u>196,902</u>	<u>2,571,356</u>	<u>2,768,258</u>	<u>1,412,962</u>	<u>1,355,296</u>
Capital Outlay					
Construction Services		301,132	301,132	69,393	231,739
Instructional Equipment	-	791,676	791,676	791,676	-
Total Capital Outlay	<u>-</u>	<u>1,092,808</u>	<u>1,092,808</u>	<u>861,069</u>	<u>231,739</u>
Total Expenditures	<u>1,552,133</u>	<u>7,026,838</u>	<u>8,578,971</u>	<u>5,434,538</u>	<u>3,144,433</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(64,647)</u>	<u>(64,647)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In - General Fund	-	-	-	65,000	65,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,000</u>	<u>65,000</u>
Net Change in Fund Balances	-	-	-	353	353
Fund Balance, Beginning of Year	<u>132,243</u>	<u>-</u>	<u>132,243</u>	<u>132,243</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 132,243</u>	<u>\$ -</u>	<u>\$ 132,243</u>	<u>\$ 132,596</u>	<u>\$ 353</u>
Recapitulation of Fund Balance					
Restricted					
Student Activities				<u>\$ 132,596</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

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

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

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 62,384,622	\$ 5,369,891
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2022-2023)	(2,453,859)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes. (2021-2022)	2,257,863	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances - June 30, 2022		164,105
Encumbrances - June 30, 2023	-	(124,907)
	-	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 62,188,626</u>	<u>\$ 5,409,089</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 55,148,273	\$ 5,434,538
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances - June 30, 2022		164,105
Encumbrances - June 30, 2023	-	(130,977)
	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 55,148,273</u>	<u>\$ 5,467,666</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION
AND
OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Ten Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.03430%	.03395%	.03455%	.03383%	.03565%	.03542%	0.03524%	0.03370%	0.03506%	0.03396%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,176,648	\$ 4,021,432	\$ 5,633,865	\$ 6,095,315	\$ 7,019,420	\$ 8,244,092	\$ 10,437,473	\$ 7,565,220	\$ 6,564,359	\$ 6,489,881
District's Covered-Employee Payroll	\$ 2,566,657	\$ 2,573,752	\$ 2,486,928	\$ 2,417,083	\$ 2,441,484	\$ 2,449,487	\$ 2,336,786	\$ 2,268,342	\$ 2,464,462	\$ 2,399,581
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	201.69%	156.25%	226.54%	252.18%	287.51%	336.56%	446.66%	333.51%	266.36%	270.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

ELMWOOD PARK BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 432,565	\$ 397,549	\$ 377,938	\$ 329,049	\$ 354,608	\$ 328,084	\$ 313,079	\$ 289,739	\$ 289,037	\$ 255,860
Contributions in Relation to the Contractually Required Contribution	<u>432,565</u>	<u>397,549</u>	<u>377,938</u>	<u>329,049</u>	<u>354,608</u>	<u>328,084</u>	<u>313,079</u>	<u>289,739</u>	<u>289,037</u>	<u>255,860</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 2,848,637	\$ 2,566,657	\$ 2,573,752	\$ 2,486,928	\$ 2,417,083	\$ 2,441,484	\$ 2,449,487	\$ 2,336,786	\$ 2,268,342	\$ 2,464,462
Contributions as a Percentage of Covered-Employee Payroll	15.18%	15.49%	14.68%	13.23%	14.52%	13.44%	12.78%	12.40%	12.74%	10.38%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

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

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0	0	0	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 70,656,250</u>	<u>\$ 64,917,328</u>	<u>\$ 84,319,464</u>	<u>\$ 78,125,309</u>	<u>\$ 78,909,522</u>	<u>\$ 79,894,315</u>	<u>\$ 91,219,332</u>	<u>\$ 72,022,972</u>	<u>\$ 63,892,836</u>	<u>\$ 63,489,527</u>
Total	<u>\$ 70,656,250</u>	<u>\$ 64,917,328</u>	<u>\$ 84,319,464</u>	<u>\$ 78,125,309</u>	<u>\$ 78,909,522</u>	<u>\$ 79,894,315</u>	<u>\$ 91,219,332</u>	<u>\$ 72,022,972</u>	<u>\$ 63,892,836</u>	<u>\$ 63,489,527</u>
District's Covered Payroll	\$ 16,348,717	\$ 15,974,491	\$ 15,245,371	\$ 14,606,965	\$ 13,693,149	\$ 13,506,891	\$ 12,040,919	\$ 11,393,763	\$ 11,250,968	\$ 11,244,012
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

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

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Six Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service Cost	\$ 4,086,128	\$ 4,699,112	\$ 2,534,947	\$ 2,223,563	\$ 2,427,458	\$ 2,960,139
Interest on Total OPEB Liability	1,422,678	1,660,512	1,612,890	1,920,201	2,006,606	1,713,733
Changes of Benefit Terms		(68,132)				
Differences Between Expected and Actual Experience	(70,910)	(13,064,453)	11,754,289	(7,382,258)	(3,872,671)	-
Changes of Assumptions	(14,401,139)	63,152	13,149,429	658,280	(5,513,442)	(7,165,584)
Gross Benefit Payments	(1,409,204)	(1,308,018)	(1,253,223)	(1,355,274)	(1,284,715)	(1,649,441)
Contribution from the Member	45,208	42,451	37,985	40,174	44,402	60,737
Net Change in Total OPEB Liability	<u>(10,327,239)</u>	<u>(7,975,376)</u>	<u>27,836,317</u>	<u>(3,895,314)</u>	<u>(6,192,362)</u>	<u>(4,080,416)</u>
Total OPEB Liability - Beginning	<u>\$ 64,010,957</u>	<u>\$ 71,986,333</u>	<u>\$ 44,150,016</u>	<u>\$ 48,045,330</u>	<u>\$ 54,237,692</u>	<u>\$ 58,318,108</u>
Total OPEB Liability - Ending	<u>\$ 53,683,718</u>	<u>\$ 64,010,957</u>	<u>\$ 71,986,333</u>	<u>\$ 44,150,016</u>	<u>\$ 48,045,330</u>	<u>\$ 54,237,692</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>53,683,718</u>	<u>64,010,957</u>	<u>71,986,333</u>	<u>48,045,330</u>	<u>48,045,330</u>	<u>54,237,692</u>
Total OPEB Liability - Ending	<u>\$ 53,683,718</u>	<u>\$ 64,010,957</u>	<u>\$ 71,986,333</u>	<u>\$ 48,045,330</u>	<u>\$ 48,045,330</u>	<u>\$ 54,237,692</u>
District's Covered Payroll	<u>\$ 18,915,374</u>	<u>\$ 18,548,243</u>	<u>\$ 17,732,299</u>	<u>\$ 17,024,048</u>	<u>\$ 16,134,633</u>	<u>\$ 15,956,378</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%

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

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

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

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

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	ESEA Title I	ESEA Title I STA	ESEA Title IIA	ESEA Title III	ESEA Title III Immigrant	ESEA Title IV	SDA Emergent Capital Needs	(Exhibit E-1a)	(Exhibit E-1b)	(Exhibit E-1c)	Grand Total
REVENUES											
Intergovernmental											
State							\$ 61,282		\$ 205,088	\$ -	\$ 266,370
Federal	\$ 613,641	\$ 18,673	\$ 102,141	\$ 3,007	\$ 6,109	\$ 82,287		\$ 2,109,350	-	2,000,076	4,935,284
Other Sources	-	-	-	-	-	-	-	168,237	-	-	168,237
Total Revenues	\$ 613,641	\$ 18,673	\$ 102,141	\$ 3,007	\$ 6,109	\$ 82,287	\$ 61,282	\$ 2,277,587	\$ 205,088	\$ 2,000,076	\$ 5,369,891
EXPENDITURES											
Instruction											
Salaries	\$ 291,785										\$ 291,785
Purchased Professional and Technical Services								\$ 25,200			25,200
Tuition								674,342			674,342
General Supplies	176,391	\$ 2,720		\$ 307	\$ 609	\$ 300		542,698	\$ 17,095	\$ 1,193,010	1,933,130
Textbooks									13,555		13,555
Other Objects								250			250
Co-Curricular/Extra-Curricular Activities								222,245			222,245
Total Instruction	468,176	2,720	-	307	609	300	-	1,464,735	30,650	1,193,010	3,160,507
Support Services											
Other Salaries		15,953			5,500			573,835		102,994	698,282
Personal Services - Employee Benefits	145,465									26,403	171,868
Purchased Professional and Technical Services				2,000				27,504	29,616	23,232	82,352
Purchased Professional and Educational Services						81,987		12,384	144,822		239,193
Other Purchased Services			\$ 102,141	700						68,326	171,167
Supplies and Materials							\$ 30,150			19,950	50,100
Total Support Services	145,465	15,953	102,141	2,700	5,500	81,987	30,150	613,723	174,438	240,905	1,412,962
Capital Outlay											
Construction Services							31,132			38,261	69,393
Instructional Equipment								263,776		527,900	791,676
Total Capital Outlay	-	-	-	-	-	-	31,132	263,776	-	566,161	861,069
Total Expenditures	\$ 613,641	\$ 18,673	\$ 102,141	\$ 3,007	\$ 6,109	\$ 82,287	\$ 61,282	\$ 2,342,234	\$ 205,088	\$ 2,000,076	\$ 5,434,538
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures								(64,647)			(64,647)
OTHER FINANCING SOURCES (USES)											
Transfers In								65,000			65,000
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	65,000	-	-	65,000
Net Changes in Fund Balances								353			353
Fund Balance, Beginning of Year								132,243			132,243
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,596	\$ -	\$ -	\$ 132,596

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

	Local Grants	IDEA Basic	IDEA PreK	ARP IDEA Basic	ARP IDEA Preschool	CRRSA ESSER II	CRRSA Learning Acceleration	CRRSA Mental Health	Student Activities	Total Exhibit E-1a
REVENUES										
Intergovernmental										
State										
Federal		\$ 660,154	\$ 26,572	\$ 58,398	\$ 1,033	\$ 1,218,730	\$ 103,963	\$ 40,500		\$ 2,109,350
Other Sources	\$ 10,639	-	-	-	-	-	-	-	\$ 157,598	168,237
Total Revenues	\$ 10,639	\$ 660,154	\$ 26,572	\$ 58,398	\$ 1,033	\$ 1,218,730	\$ 103,963	\$ 40,500	\$ 157,598	\$ 2,277,587
EXPENDITURES										
Instruction										
Purchased Professional and Technical Services						\$ 25,200				\$ 25,200
Tuition		\$ 647,770	\$ 26,572							674,342
General Supplies	\$ 10,389			\$ 46,063	\$ 1,033	355,982	\$ 88,731	\$ 40,500		542,698
Other Objects	250									250
Co-Curricular/Extra-Curricular Activities	-	-	-	-	-	-	-	-	\$ 222,245	222,245
Total Instruction	10,639	647,770	26,572	46,063	1,033	381,182	88,731	40,500	222,245	1,464,735
Support Services										
Other Salaries						573,835				573,835
Purchased Professional and Technical Services				12,335		7,919	7,250			27,504
Purchased Professional and Educational Services	-	12,384	-	-	-	-	-	-	-	12,384
Total Support Services	-	12,384	-	12,335	-	581,754	7,250	-	-	613,723
Capital Outlay										
Instructional Equipment	-	-	-	-	-	255,794	7,982	-	-	263,776
Total Capital Outlay	-	-	-	-	-	255,794	7,982	-	-	263,776
Total Expenditures	\$ 10,639	\$ 660,154	\$ 26,572	\$ 58,398	\$ 1,033	\$ 1,218,730	\$ 103,963	\$ 40,500	\$ 222,245	\$ 2,342,234
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	(64,647)	(64,647)
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	-	65,000	65,000
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	65,000	65,000
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	353	353
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	132,243	132,243
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,596	\$ 132,596

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

	Chapter 192 Services		Chapter 193 Services			Nonpublic Textbooks	Nonpublic Nursing	Nonpublic Security	Nonpublic Technology	Total Exhibit E-1b
	Compensatory Services	ESL	Examination & Classification	Corrective Speech	Supplemental Instruction					
REVENUES										
Intergovernmental										
State	\$ 65,425	\$ 8,520	\$ 8,919	\$ 28,320	\$ 12,638	\$ 13,555	\$ 21,000	\$ 38,059	\$ 8,652	\$ 205,088
Federal	-	-	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 65,425</u>	<u>\$ 8,520</u>	<u>\$ 8,919</u>	<u>\$ 28,320</u>	<u>\$ 12,638</u>	<u>\$ 13,555</u>	<u>\$ 21,000</u>	<u>\$ 38,059</u>	<u>\$ 8,652</u>	<u>\$ 205,088</u>
EXPENDITURES										
Instruction										
General Supplies	-	-	-	-	-	\$ 13,555	-	\$ 8,443	\$ 8,652	\$ 17,095
Textbooks	-	-	-	-	-	-	-	-	-	13,555
Total Instruction	-	-	-	-	-	13,555	-	8,443	8,652	30,650
Support Services										
Purchased Professional and Technical Services								29,616		29,616
Purchased Professional and Educational Services	\$ 65,425	\$ 8,520	\$ 8,919	\$ 28,320	\$ 12,638	-	\$ 21,000	-	-	144,822
Total Support Services	<u>65,425</u>	<u>8,520</u>	<u>8,919</u>	<u>28,320</u>	<u>12,638</u>	<u>-</u>	<u>21,000</u>	<u>29,616</u>	<u>-</u>	<u>174,438</u>
Total Expenditures	<u>\$ 65,425</u>	<u>\$ 8,520</u>	<u>\$ 8,919</u>	<u>\$ 28,320</u>	<u>\$ 12,638</u>	<u>\$ 13,555</u>	<u>\$ 21,000</u>	<u>\$ 38,059</u>	<u>\$ 8,652</u>	<u>\$ 205,088</u>
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

American Rescue Plan - ESSER III Programs

	<u>ESSER III</u>	<u>Accelerated Learning Coach and Educator Support</u>	<u>Evidence-Based Summer Learning and Enrichment</u>	<u>Evidence-Based Comprehensive Beyond the School Day</u>	<u>NIJSS</u>	<u>Homeless and Children's Youth Transportation II</u>	<u>Total Exhibit E-1c</u>
REVENUES							
Intergovernmental							
State							
Federal	\$ 1,970,620	-	-	-	-	\$ 29,456	\$ 2,000,076
Other Sources	-	-	-	-	-	-	-
Total Revenues	<u>\$ 1,970,620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,456</u>	<u>\$ 2,000,076</u>
EXPENDITURES							
Instruction							
General Supplies	\$ 1,193,010	-	-	-	-	-	\$ 1,193,010
Total Instruction	<u>1,193,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,193,010</u>
Support Services							
Other Salaries	102,994	-	-	-	-	-	102,994
Personal Services - Employee Benefits	26,403	-	-	-	-	-	26,403
Purchased Professional and Technical Services	23,232	-	-	-	-	-	23,232
Other Purchased Services	38,870	-	-	-	-	\$ 29,456	68,326
Supplies and Materials	19,950	-	-	-	-	-	19,950
Total Support Services	<u>211,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,456</u>	<u>240,905</u>
Capital Outlay							
Construction Services	38,261	-	-	-	-	-	38,261
Instructional Equipment	527,900	-	-	-	-	-	527,900
Total Capital Outlay	<u>566,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>566,161</u>
Total Expenditures	<u>\$ 1,970,620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,456</u>	<u>\$ 2,000,076</u>
Net Changes in Fund Balances	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

NOT APPLICABLE

CAPITAL PROJECTS FUND

NOT APPLICABLE

PROPRIETARY FUNDS

**ELMWOOD PARK BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2023</u>				
			<u>Date</u>	<u>Amount</u>									
School Bonds	7/9/2014	\$ 9,290,000	8/1/2023	\$ 445,000	5.000 %								
			8/1/2024	470,000	5.000								
			8/1/2025	500,000	5.000								
			8/1/2026	545,000	5.000								
			8/1/2027	555,000	4.000								
			8/1/2028	545,000	4.000								
			8/1/2029	370,000	4.000								
			8/1/2030	600,000	4.000								
			8/1/2031	600,000	4.000								
			8/1/2032	600,000	4.000								
			8/1/2033	600,000	4.000								
			8/1/2034	600,000	4.000					\$ 6,835,000	\$ 405,000	\$ 6,430,000	
			Refunding Schools Bonds	7/9/2014	21,275,000					8/1/2023	1,445,000	5.000	
8/1/2024	1,500,000	5.000											
8/1/2025	1,555,000	5.000											
8/1/2026	1,605,000	5.000											
8/1/2027	1,700,000	4.000											
8/1/2028	1,785,000	4.000											
8/1/2029	1,950,000	4.000				12,935,000	-	1,395,000	11,540,000				
						<u>\$ 19,770,000</u>	<u>\$ -</u>	<u>\$ 1,800,000</u>	<u>\$ 17,970,000</u>				
				Paid by Budget	<u>\$ 1,800,000</u>								

ELMWOOD PARK BOARD OF EDUCATION
 SCHEDULE OF LEASE PAYABLES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2022 (Restated)</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2023</u>
Copiers	\$ 109,200	2.50%	\$ <u>58,120</u>	\$ <u>-</u>	\$ <u>22,053</u>	\$ <u>36,067</u>

**ELMWOOD PARK BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 2,395,899		\$ 2,395,899	\$ 2,395,899	
State Sources					
Debt Service State Aid	<u>248,551</u>	<u>-</u>	<u>248,551</u>	<u>248,551</u>	<u>-</u>
Total Revenues	<u>2,644,450</u>	<u>-</u>	<u>2,644,450</u>	<u>2,644,450</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal	1,800,000		1,800,000	1,800,000	-
Interest	<u>844,450</u>	<u>-</u>	<u>844,450</u>	<u>844,450</u>	<u>-</u>
Total Expenditures	<u>2,644,450</u>	<u>-</u>	<u>2,644,450</u>	<u>2,644,450</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	2014	2015	2016	2017	<u>Fiscal Year Ended June 30,</u>		2020	2021	2022	2023
					2018	2019				
Governmental activities										
Net Investment in Capital Assets	\$ 15,208,895	\$ 15,057,857	\$ 17,710,996	\$ 18,431,982	\$ 19,137,424	\$ 19,729,688	\$ 20,286,423	\$ 21,266,965	\$ 23,162,256	\$ 25,234,523
Restricted	2,445,347	3,078,731	3,091,934	3,970,740	5,191,524	7,184,290	10,163,345	14,774,083	20,884,338	28,379,569
Unrestricted	(10,703,259)	(10,022,879)	(9,819,821)	(9,905,619)	(8,515,481)	(8,028,871)	(7,065,582)	(5,144,666)	(3,190,586)	(3,206,886)
Total governmental activities net position	<u>\$ 6,950,983</u>	<u>\$ 8,113,709</u>	<u>\$ 10,983,109</u>	<u>\$ 12,497,103</u>	<u>\$ 15,813,467</u>	<u>\$ 18,885,107</u>	<u>\$ 23,384,186</u>	<u>\$ 30,896,382</u>	<u>\$ 40,856,008</u>	<u>\$ 50,407,206</u>
Business-type activities										
Net Investment in Capital Assets	\$ 17,135	\$ 9,466	\$ 23,456	\$ 79,223	\$ 121,482	\$ 177,929	\$ 161,155	\$ 148,714	\$ 163,266	\$ 251,001
Restricted	468,708	668,874	277,869	299,291	308,253	228,135	158,604	422,350	583,080	469,955
Unrestricted	(451,573)	(659,408)	(254,413)	(220,068)	(186,771)	(50,206)	(91,949)	(273,636)	(420,014)	(218,004)
Total business-type activities net position	<u>\$ 485,843</u>	<u>\$ 678,340</u>	<u>\$ 301,325</u>	<u>\$ 378,514</u>	<u>\$ 429,735</u>	<u>\$ 406,064</u>	<u>\$ 319,759</u>	<u>\$ 571,064</u>	<u>\$ 746,346</u>	<u>\$ 720,956</u>
District-wide										
Net Investment in Capital Assets	\$ 15,067,323	\$ 17,734,452	\$ 18,511,205	\$ 19,258,906	\$ 19,907,617	\$ 20,447,578	\$ 21,415,679	\$ 21,415,679	\$ 23,325,522	\$ 25,485,524
Restricted	3,078,731	3,091,934	3,970,740	5,191,524	7,184,290	10,163,345	14,774,083	14,774,083	20,884,338	28,379,569
Unrestricted	(9,354,005)	(9,541,952)	(9,606,328)	(8,207,228)	(7,800,736)	(6,906,978)	(4,722,316)	(4,722,316)	(2,607,506)	(2,736,931)
Total district net position	<u>\$ 8,792,049</u>	<u>\$ 11,284,434</u>	<u>\$ 12,875,617</u>	<u>\$ 16,243,202</u>	<u>\$ 19,291,171</u>	<u>\$ 23,703,945</u>	<u>\$ 31,467,446</u>	<u>\$ 31,467,446</u>	<u>\$ 41,602,354</u>	<u>\$ 51,128,162</u>

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

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

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

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

	2014	2015	2016	2017	Fiscal Year Ended June 30,		2020	2021	2022	2023
					2018	2019				
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 12,396,434	\$ 14,999,220	\$ 15,783,095	\$ 17,305,932	\$ 18,591,827	\$ 17,907,427	\$ 17,840,223	\$ 19,980,393	\$ 19,155,477	\$ 18,506,247
Special Education	8,781,930	9,844,230	9,663,299	10,436,257	10,273,035	10,659,067	11,693,525	11,729,724	10,856,587	10,653,159
Other Instruction	387,071	575,702	569,196	625,591	1,130,913	1,159,106	1,177,948	899,777	855,388	3,045,415
School Sponsored	541,451	572,849	613,296	672,594	603,415	801,019	932,553	780,801	924,794	1,090,551
Support Services:										
Tuition										
Student & Instruction Related Services	4,658,155	5,439,445	5,600,381	6,667,445	6,933,736	7,896,193	7,687,696	8,016,637	7,460,571	8,996,580
General Administrative Services	1,409,617	1,807,366	1,272,670	1,256,669	1,201,790	1,063,522	1,478,353	1,519,874	1,441,941	1,376,093
School Administrative Services	2,484,316	2,801,552	2,890,800	3,438,947	3,649,080	3,653,932	3,402,486	3,905,484	3,698,841	3,514,832
Central Services and Admin. Info. Technolog	1,205,590	1,515,178	1,322,865	1,371,526	1,413,974	1,372,111	1,468,876	1,524,447	1,438,149	1,356,066
Plant Operations and Maintenance	3,554,579	3,700,896	3,669,476	3,754,899	3,776,579	4,076,207	3,684,940	3,919,240	3,991,798	6,105,356
Pupil Transportation	1,583,747	1,621,563	1,886,266	2,060,894	2,109,614	2,608,161	2,500,364	1,906,103	2,769,692	3,218,162
Unallocated Benefits		443,134								
Interest on Long-Term Debt	1,072,951		913,382	912,312	916,101	900,330	858,132	808,067	735,550	649,751
Total Governmental Activities Expenses	<u>38,075,841</u>	<u>43,321,135</u>	<u>44,184,726</u>	<u>48,503,066</u>	<u>50,600,064</u>	<u>52,097,075</u>	<u>52,725,096</u>	<u>54,990,547</u>	<u>53,328,788</u>	<u>58,512,212</u>
Business-Type Activities:										
Food service	887,284	891,617	947,926	931,821	1,003,913	1,098,382	873,687	822,427	1,554,324	1,470,239
Before/After Care Program	137,066	129,686		36,415	19,719	38,069	33,793			18,772
Summer Session Program	24,837	24,818	36,945							
Total Business-Type Activities Expense	<u>1,049,187</u>	<u>1,046,121</u>	<u>984,871</u>	<u>968,236</u>	<u>1,023,632</u>	<u>1,136,451</u>	<u>907,480</u>	<u>822,427</u>	<u>1,554,324</u>	<u>1,489,011</u>
Total District Expenses	<u>\$ 39,125,028</u>	<u>\$ 44,367,256</u>	<u>\$ 45,169,597</u>	<u>\$ 49,471,302</u>	<u>\$ 51,623,696</u>	<u>\$ 53,233,526</u>	<u>\$ 53,632,576</u>	<u>\$ 55,812,974</u>	<u>\$ 54,883,112</u>	<u>\$ 60,001,223</u>
Program Revenues										
Governmental Activities:										
Charges for Services	\$ 260,002	\$ 213,843	\$ 197,399	\$ 124,088	\$ 228,599	\$ 79,676	\$ 190,837	\$ 133,370	\$ 324,741	\$ 309,854
Operating Grants and Contributions	6,437,292	9,327,421	10,694,109	12,918,625	14,414,893	14,028,415	13,395,095	17,762,922	15,443,858	15,686,693
Capital Grants and Contributions	6,963		77,000	9,410	31,182				6,887	915,908
Total Governmental Activities Program Revenues	<u>6,704,257</u>	<u>9,541,264</u>	<u>10,968,508</u>	<u>13,052,123</u>	<u>14,674,674</u>	<u>14,108,091</u>	<u>13,585,932</u>	<u>17,896,292</u>	<u>15,775,486</u>	<u>16,912,455</u>

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-Type Activities:										
Charges for Services										
Food Service	\$ 471,320	\$ 432,590	\$ 398,561	\$ 415,325	\$ 466,259	\$ 497,685	\$ 332,230		\$ 84,636	\$ 597,110
Before/After CARE Program	272,047	245,354	2,245							
Summer Session Program	22,547	17,667	22,656	16,149	8,998	27,570	12,525			1,850
Operating Grants and Contributions	502,374	531,571	566,237	588,951	574,596	577,525	476,420	\$ 1,073,732	1,624,970	812,378
Total Business Type Activities Program Revenues	<u>1,268,288</u>	<u>1,227,182</u>	<u>989,699</u>	<u>1,020,425</u>	<u>1,049,853</u>	<u>1,102,780</u>	<u>821,175</u>	<u>1,073,732</u>	<u>1,709,606</u>	<u>1,411,338</u>
Total District Program Revenues	<u>\$ 7,972,545</u>	<u>\$ 10,768,446</u>	<u>\$ 11,958,207</u>	<u>\$ 14,072,548</u>	<u>\$ 15,724,527</u>	<u>\$ 15,210,871</u>	<u>\$ 14,407,107</u>	<u>\$ 18,970,024</u>	<u>\$ 17,485,092</u>	<u>\$ 18,323,793</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (31,371,584)	\$ (33,779,871)	\$ (31,371,584)	\$ (35,450,943)	\$ (35,925,390)	\$ (37,988,984)	\$ (39,139,164)	\$ (37,094,255)	\$ (37,553,302)	\$ (41,599,757)
Business-Type Activities	219,101	181,061	4,828	52,189	26,221	(33,671)	(86,305)	251,305	155,282	(77,673)
Total District-Wide Net Expense	<u>\$ (31,152,483)</u>	<u>\$ (33,598,810)</u>	<u>\$ (31,366,756)</u>	<u>\$ (35,398,754)</u>	<u>\$ (35,899,169)</u>	<u>\$ (38,022,655)</u>	<u>\$ (39,225,469)</u>	<u>\$ (36,842,950)</u>	<u>\$ (37,398,020)</u>	<u>\$ (41,677,430)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 28,789,793	\$ 29,579,684	\$ 31,160,280	\$ 31,783,486	\$ 32,973,746	\$ 33,692,252	\$ 33,770,852	\$ 34,446,269	\$ 34,765,194	\$ 34,765,194
Taxes Levied for Debt Service	2,114,918	2,123,084	2,128,740	2,292,850	2,390,209	2,394,530	2,141,484	2,391,430	2,264,688	2,395,899
Unrestricted Federal and State Aid	723,691	1,176,221	1,269,440	1,232,660	1,241,807	2,743,495	4,643,921	6,144,774	10,024,544	12,733,646
State Aid for Debt Service Principal				169,176	140,550	142,780	146,519	152,229	158,574	169,181
Cancellation Accounts Receivable/Payable			82,582							
Investment earnings	7,306	16,581		90,730	64,241	124,589	196,359	157,171		874,513
Miscellaneous Income	95,204	232,953	312,991	134,873	179,384	169,108	171,489	210,433	319,928	232,522
Transfers			(11,436)	381,843	(25,000)	(25,000)	(10,000)		(20,000)	(20,000)
Total Governmental Activities	<u>31,730,912</u>	<u>33,128,523</u>	<u>34,942,597</u>	<u>36,085,618</u>	<u>36,964,937</u>	<u>39,241,754</u>	<u>41,060,624</u>	<u>43,502,306</u>	<u>47,512,928</u>	<u>51,150,955</u>
Business-Type Activities:										
Investment Earnings	279	143								
Miscellaneous										32,283
Transfers			11,436	(381,843)	25,000	25,000	10,000		20,000	20,000
Total Business-Type Activities	<u>279</u>	<u>143</u>	<u>11,436</u>	<u>(381,843)</u>	<u>25,000</u>	<u>25,000</u>	<u>10,000</u>	<u>-</u>	<u>20,000</u>	<u>52,283</u>
Total District-Wide	<u>\$ 31,731,191</u>	<u>\$ 33,128,666</u>	<u>\$ 34,954,033</u>	<u>\$ 35,703,775</u>	<u>\$ 36,989,937</u>	<u>\$ 39,266,754</u>	<u>\$ 41,070,624</u>	<u>\$ 43,502,306</u>	<u>\$ 47,532,928</u>	<u>\$ 51,203,238</u>
Change in Net Position										
Governmental Activities	\$ 359,328	\$ (651,348)	\$ 3,571,013	\$ 634,675	\$ 1,039,547	\$ 1,252,770	\$ 1,921,460	\$ 6,408,051	\$ 9,959,626	\$ 9,551,198
Business-Type Activities	219,380	181,204	16,264	(329,654)	51,221	(8,671)	(76,305)	251,305	175,282	(25,390)
Total District	<u>\$ 578,708</u>	<u>\$ (470,144)</u>	<u>\$ 3,587,277</u>	<u>\$ 305,021</u>	<u>\$ 1,090,768</u>	<u>\$ 1,244,099</u>	<u>\$ 1,845,155</u>	<u>\$ 6,659,356</u>	<u>\$ 10,134,908</u>	<u>\$ 9,525,808</u>

Note 1 - Changes in Net Position for the year ended June 30, 2020 is restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 2,445,347	\$ 3,074,002	\$ 3,087,205	\$ 3,970,740	\$ 6,216,903	\$ 7,375,172	\$ 11,569,347	\$ 17,293,756	\$ 23,766,951	\$ 31,269,870
Committed									619,563	491,510
Assigned	34,400	29,600	65,719	31,442	166,540	551,627	343,154	196,751	376,982	962,845
Unassigned	<u>(48,023)</u>	<u>29,177</u>	<u>104,031</u>	<u>88,167</u>	<u>308,597</u>	<u>203,689</u>	<u>34,431</u>	<u>756,403</u>	<u>495,811</u>	<u>(509,565)</u>
Total General Fund	<u>\$ 2,431,724</u>	<u>\$ 3,132,779</u>	<u>\$ 3,256,955</u>	<u>\$ 4,090,349</u>	<u>\$ 6,692,040</u>	<u>\$ 8,130,488</u>	<u>\$ 11,946,932</u>	<u>\$ 18,246,910</u>	<u>\$ 25,259,307</u>	<u>\$ 32,214,660</u>
All Other Governmental Funds										
Restricted for:										
Student Activities								\$ 143,998	\$ 132,243	\$ 132,596
Capital Projects			\$ 6,969,798	\$ 2,300,730	\$ 1,186,862	\$ 122,365				
Debt Service			4,729	4,729			\$ 137,857	137,857		
Assigned										6,070
Unassigned		<u>\$ (765,913)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ -</u>	<u>\$ (765,913)</u>	<u>\$ 6,974,527</u>	<u>\$ 2,305,459</u>	<u>\$ 1,186,862</u>	<u>\$ 122,365</u>	<u>\$ 137,857</u>	<u>\$ 281,855</u>	<u>\$ 132,243</u>	<u>\$ 138,666</u>

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

ELMWOOD PARK BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS

(Unaudited)

(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 31,702,768	\$ 33,289,020	\$ 34,076,336	\$ 35,363,955	\$ 36,086,782	\$ 35,912,336	\$ 36,837,699	\$ 37,171,512	\$ 37,029,882	\$ 37,161,093
Tuition	260,002	213,843	197,399	124,088	228,599	79,676	26,350	98,992	203,931	152,256
Miscellaneous	262,683	413,670	302,922	293,649	352,359	403,502	557,626	392,428	462,088	1,275,272
State Sources	6,117,289	6,340,110	7,098,021	7,393,918	9,520,545	13,639,212	15,704,588	18,056,198	23,689,451	26,631,965
Federal Sources	1,490,038	1,416,690	1,528,353	1,345,434	1,375,067	1,471,857	1,496,113	2,280,444	2,231,505	5,021,579
Total revenue	39,832,780	41,673,333	43,203,031	44,521,044	47,563,352	51,506,583	54,622,376	57,999,574	63,616,857	70,242,165
Expenditures										
Instruction										
Regular Instruction	12,025,350	12,904,644	13,187,793	13,749,348	14,562,038	15,296,139	15,761,241	17,093,292	18,934,846	19,443,163
Special Education Instruction	8,534,760	9,123,082	8,884,888	9,268,202	9,005,598	9,762,852	10,951,825	10,616,931	10,732,066	11,067,127
Other Instruction	387,071	499,891	477,517	480,301	859,341	974,417	1,024,832	753,586	844,838	3,132,816
School Sponsored/Other Instructional	541,451	565,270	598,011	615,310	558,829	719,556	883,562	701,974	892,123	1,147,910
Support Services:										
Instruction - Tuition										
Student & Inst. Related Services	4,441,742	4,818,144	4,922,487	5,600,004	5,684,434	6,964,271	6,907,532	7,048,551	7,321,557	9,056,381
General Administration	1,334,462	1,106,989	1,204,673	1,134,287	1,125,445	1,030,356	1,389,431	1,407,681	1,412,926	1,424,764
School Administration	2,394,816	2,434,687	2,419,779	2,695,700	2,832,222	3,076,687	2,992,220	3,289,526	3,602,287	3,724,613
Central Administrative Services	1,146,524	1,429,273	1,227,405	1,194,069	1,183,349	1,220,314	1,363,533	1,334,285	1,382,171	1,434,337
Operations and Maintenance	3,310,981	3,462,358	3,399,914	3,284,256	3,324,884	3,695,230	3,511,625	3,638,309	3,867,688	4,448,631
Student Transportation	1,572,649	1,615,070	1,881,373	2,050,381	2,095,373	2,598,333	2,494,200	1,899,125	2,766,836	3,200,363
Employee Benefits										
Transfer to Charter Schools										
Capital Outlay	787,583	3,110,577	6,748,440	1,604,646	1,724,284	876,407	870,570	1,281,987	2,292,502	2,512,578
Debt Service										
Principal	1,493,782	1,658,332	1,945,688	1,906,088	1,877,373	2,699,866	1,575,000	1,640,000	1,736,511	1,822,053
Interest and Other Charges	1,089,891	542,893	1,231,798	1,198,655	1,167,988	1,128,215	1,072,300	1,008,000	934,070	845,653
Payment to Escrow Agent		736,846								
Cost of Issuance		604,928								
Total Governmental Fund Expenditures	39,061,062	44,612,984	48,129,766	44,781,247	46,001,158	50,042,643	50,797,871	51,713,247	56,720,421	63,260,389
Excess (Deficiency) of revenues over (under) expenditures	771,718	(2,939,651)	(4,926,735)	(260,203)	1,562,194	1,463,940	3,824,505	6,286,327	(51,848,929)	6,981,776

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other Financing Sources (Uses)										
Transfers in		\$ 44,539	\$ 416,843			\$ 250,000	\$ 1,325	\$ 25,513	\$ 188,357	\$ 65,000
Transfers out		(55,975)	(35,000)	\$ (25,000)	\$ (25,000)	(260,000)	(1,325)	(25,513)	(208,357)	(85,000)
Proceeds State Aid Advance Loan										
Proceeds from the Sale of Bonds		30,565,000								
Premium on Bonds		3,652,727								
Payments to Refunding Escrow		(23,382,000)								
Cancellation of Accounts Receivable										
Cancellation of Accounts Payable										
Capital Leases/Lease Purchase Proceeds	\$ 245,454	556,855	-	-	-	-				
Total other financing sources (uses)	<u>245,454</u>	<u>11,381,146</u>	<u>381,843</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(10,000)</u>	-	-	<u>(20,000)</u>	<u>(20,000)</u>
Net change in fund balances	<u>\$ 1,017,172</u>	<u>\$ 8,441,495</u>	<u>\$ (4,544,892)</u>	<u>\$ (285,203)</u>	<u>\$ 1,537,194</u>	<u>\$ 1,453,940</u>	<u>\$ 3,824,505</u>	<u>\$ 6,286,327</u>	<u>\$ (51,868,929)</u>	<u>\$ 6,961,776</u>
Debt service as a percentage of noncapital expenditures	6.75%	5.30%	7.68%	7.19%	6.88%	7.79%	5.30%	5.25%	4.91%	4.39%

* Noncapital expenditures are total expenditures less capital outlay.

Note 1 - Changes in Fund Balances for the year ended June 30, 2020 is restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

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

Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Transfer from Payroll Trust and Agency</u>	<u>E-Rate</u>	<u>Athletic Gate Receipts</u>	<u>Energy Credits</u>	<u>Rebates/ Refunds</u>	<u>Other Misc.</u>	<u>Total</u>
2014	\$ 260,002	\$ 16,581	\$ 60,367	\$ 69,544			\$ 1,668	\$ 101,374	\$ 509,536
2015	213,843	38,043		64,634				248,357	564,877
2016	197,399	90,730		76,982				57,891	423,002
2017	124,088	64,241	5,569	69,826	\$ 3,336		30,595	70,058	367,713
2018	228,599	127,589		73,914	4,914	\$ 10,686	44,794	31,800	522,296
2019	76,976	196,359		61,639	3,525	17,223	20,522	52,582	428,826
2020	26,350	154,521		84,609	7,975	10,573	15,339	93,262	392,629
2021	98,992	100,510		145,208		1,509	66,884	33,913	447,016
2022	203,931	135,248		105,989	5,301	11,677	45,592	16,121	523,859
2023	152,256	874,513		114,390		12,820	66,799	38,513	1,259,291

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 14,055,500	\$ 1,584,939,900		\$ 264,753,100	\$ 115,007,700	\$ 72,861,200	\$ 2,051,617,400	\$ 100	\$ 2,051,093,900	\$ 2,058,172,110	1.585
2015	12,807,700	1,586,494,000		260,312,600	114,720,800	76,758,700	2,051,093,800	100	2,062,368,700	2,097,262,176	1.657
2016	12,184,900	1,593,960,300		259,987,400	114,105,700	82,130,300	2,062,368,600	99	2,072,358,499	2,105,355,467	1.684
2017	11,813,900	1,605,280,300		258,841,400	114,292,500	82,130,300	2,072,358,400	100	2,075,093,400	2,117,435,483	1.724
2018	12,723,200	1,608,122,000		257,549,400	114,568,400	82,130,300	2,075,093,300	90	2,076,266,690	2,309,774,854	1.730
2019	13,299,200	1,612,285,000		255,198,700	114,568,400	80,915,300	2,076,266,600	100	2,079,454,400	2,317,059,270	1.760
2020	13,576,600	1,620,518,200		247,144,200	117,300,000	80,915,300	2,079,454,300	89	2,079,454,389	2,341,089,896	1.781
2021	12,021,700	1,626,447,500		245,653,600	117,300,000	80,915,300	2,082,338,100	100	2,097,212,800	2,436,053,084	1.781
2022	8,259,600	1,633,964,100		249,210,300	117,300,000	88,478,700	2,097,212,700	89	2,097,212,789	2,469,579,292	1.775
2023	20,559,700	1,633,961,000		249,508,200	115,667,100	100,315,300	2,120,011,300	89	2,120,011,389	2,729,147,257	1.738

Source: County Abstract of Ratables

^a Tax rates are per \$100

ELMWOOD PARK BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Total Direct School Tax Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Elmwood Park Local School District	Municipality of Elmwood Park	County of Bergen		
2014	\$ 1.585	\$ 0.880	\$ 0.234	\$	2.699
2015	1.657	0.881	0.245		2.783
2016	1.684	0.861	0.250		2.795
2017	1.724	0.908	0.257		2.889
2018	1.730	0.920	0.273		2.923
2019	1.760	0.919	0.272		2.951
2020	1.781	0.941	0.280		3.002
2021	1.781	0.953	0.292		3.026
2022	1.775	0.952	0.285		3.012
2023	1.738	0.946	0.319		3.003

Source: County Abstract of Ratables

* Includes Library

**ELMWOOD PARK BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
East Coast Elmwood Vill. LLC	\$ 32,706,300	1.54%	\$ 32,706,300	1.59%
Riverwalk III, LLC	24,305,000	1.15%		
RD Elmwood Assoc. c/o Ryan PTS Dept. 800	16,353,700	0.77%	23,373,500	1.14%
Riverfront Residential 1 LLC	14,000,000	0.66%		
Elmwood Terrnce Inc.	12,000,000	0.57%	13,600,000	0.66%
Xchange Market Street LLC	11,700,000	0.55%		
LKD-3, LLC	9,750,000	0.46%	22,500,600	1.10%
Riverfront Residential 2 LLC	9,269,100	0.44%		
RD Elmwood Assoc. c/o Ryan PTS Dept. 80000	8,793,800	0.41%		
SG National LLC	8,776,500	0.41%	9,676,500	0.47%
Marcal Manufacturing LLC			13,000,000	0.63%
35 Market Street, L.P.			11,700,000	0.57%
Bankers Financial Corp			12,268,600	0.60%
Alfred Sanzari Enterprises			13,418,900	0.65%
GRE River Dr. LLC			9,000,000	0.44%
	<u>\$ 147,654,400</u>	<u>6.96%</u>	<u>\$ 161,244,400</u>	<u>7.86%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 31,702,768	\$ 31,702,768	100.00%	
2015	33,289,020	33,289,020	100.00%	
2016	34,076,336	34,076,336	100.00%	
2017	35,363,955	35,363,955	100.00%	
2018	36,086,782	36,086,782	100.00%	
2019	35,912,336	35,912,336	100.00%	
2020	36,837,699	36,837,699	100.00%	
2021	37,171,512	37,171,512	100.00%	
2022	37,029,882	37,029,882	100.00%	
2023	37,161,093	37,161,093	100.00%	

**ELMWOOD PARK BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities			Leases	Total District	Population	Per Capita
	General Obligation Bonds	Loans Payable	Capital and Other Financing Agreements				
2014	\$ 24,482,000	\$ 1,984,497	\$ 580,995		\$ 27,047,492	20,029	1,350
2015	30,565,000	1,754,497	809,518		33,129,015	20,062	1,651
2016	29,165,000	1,524,497	493,830		31,183,327	20,100	1,551
2017	27,705,000	1,294,497	277,742		29,277,239	20,081	1,458
2018	26,220,000	1,064,497	115,369		27,399,866	20,116	1,362
2019	24,700,000				24,700,000	20,036	1,233
2020	23,125,000				23,125,000	19,965	1,158
2021	21,485,000			\$ 79,631	21,564,631	19,863	1,086
2022	19,770,000			58,120	19,828,120	21,267	932
2023	17,970,000			36,067	18,006,067	21,233	848

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 24,482,000		\$ 24,482,000	1.19%	1,222
2015	30,565,000		30,565,000	1.48%	1,524
2016	29,165,000		29,165,000	1.41%	1,451
2017	27,705,000		27,705,000	1.34%	1,380
2018	26,220,000		26,220,000	1.26%	1,303
2019	24,700,000	\$ 137,857	24,562,143	1.18%	1,226
2020	23,125,000	137,857	22,987,143	1.11%	1,151
2021	21,485,000	137,857	21,347,143	1.02%	1,075
2022	19,770,000		19,770,000	0.94%	930
2023	17,970,000		17,970,000	0.85%	846

Source: District records

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

	<u>Total Debt</u>
Municipal Debt: (1)	
Elmwood Park School District	\$ 17,970,000
Borough of Elmwood Park	<u>27,487,507</u>
Total Direct Debt	<u>45,457,507</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	19,141,940
Passaic Valley Sewerage Commission (B)	<u>5,333,111</u>
Total Overlapping Debt	<u>24,475,051</u>
Total Direct and Overlapping Debt	<u>\$ 69,932,558</u>

Source:

(1) Borough's 2022 Annual Debt Statement

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

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

ELMWOOD PARK BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis
	2022 \$ 2,683,573,512
	2021 2,436,052,995
	2020 <u>2,402,882,251</u>
	<u>\$ 7,522,508,758</u>
Average equalized valuation of taxable property	<u>\$ 2,507,502,919</u>
Debt limit (4 % of average equalization value)	\$ 100,300,117
Total Net Debt Applicable to Limit	<u>17,970,000</u>
Legal debt margin	<u>\$ 82,330,117</u>

Fiscal Year Ending June 30,

	<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>
Debt limit	\$ 86,218,443	\$ 83,525,942	\$ 82,663,201	\$ 83,368,272	\$ 86,164,254	\$ 89,114,276	\$ 114,615,927	\$ 93,657,747	\$ 95,474,694	\$ 100,300,117
Total net debt applicable to limit	<u>34,474,250</u>	<u>30,565,000</u>	<u>29,165,000</u>	<u>27,705,000</u>	<u>26,220,000</u>	<u>24,700,000</u>	<u>23,125,000</u>	<u>21,485,000</u>	<u>19,770,000</u>	<u>17,970,000</u>
Legal debt margin	<u>\$ 51,744,193</u>	<u>\$ 52,960,942</u>	<u>\$ 53,498,201</u>	<u>\$ 55,663,272</u>	<u>\$ 59,944,254</u>	<u>\$ 64,414,276</u>	<u>\$ 91,490,927</u>	<u>\$ 72,172,747</u>	<u>\$ 75,704,694</u>	<u>\$ 82,330,117</u>
Total net debt applicable to the limit as a percentage of debt limit	39.98%	36.59%	35.28%	33.23%	30.43%	27.72%	20.18%	22.94%	20.71%	17.92%

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	20,029	\$ 73,883	7.10%
2015	20,062	77,323	6.00%
2016	20,100	78,836	5.50%
2017	20,081	81,024	5.10%
2018	20,116	85,191	4.60%
2019	20,036	88,241	4.20%
2020	19,965	91,972	13.40%
2021	19,863	97,343	8.60%
2022	21,267	97,343 *	4.70%
2023	21,233	97,343 *	Not Available

Source: New Jersey State Department of Education

* Estimated

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

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

INFORMATION IS NOT AVAILABLE

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	129.0	121.0	126.0	112.0	117.0	130.0	134.0	138.0	154.0	146.90
Special Education	65.0	65.0	65.0	65.0	70.3	73.2	76.8	72.1	66.5	70.00
Other Instruction	3.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.00
Support Services:										
Student & instruction related services	53.0	56.0	55.3	56.8	59.7	65.9	63.5	65.5	61.7	75.70
General administrative Services	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.50
School Administrative Services	20.0	19.0	19.0	19.0	22.0	22.0	22.0	22.0	20.0	22.90
Business Administrative Services	13.0	11.6	10.6	13.8	12.3	12.3	10.8	11.8	10.8	7.68
Plant Operations and Maintenance	23.5	22.0	23.0	22.0	21.0	22.0	22.0	21.0	23.0	24.00
Pupil transportation	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.70
Total	<u>311.7</u>	<u>300.3</u>	<u>304.6</u>	<u>294.3</u>	<u>308.0</u>	<u>331.1</u>	<u>334.8</u>	<u>336.1</u>	<u>342.7</u>	<u>354.38</u>

Source: District Personnel Records

ELMWOOD PARK BOARD OF EDUCATION
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Junior High School	High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	2,519	\$ 35,689,806	\$ 14,168	0.33%	312	1:21	1:18	1:18	2,526.7	2,409.8	1.82%	95.37%
2015	2,541	37,959,408	14,939	5.44%	300	1:14	1:15	1:17	2,530.8	2,422.1	0.16%	95.70%
2016	2,508	38,203,840	15,233	1.97%	305	1:15	1:15	1:13	2,532.5	2,429.0	0.07%	95.91%
2017	2,542	40,071,858	15,764	3.49%	294	1:16	1:18	1:16	2,571.2	2,455.5	1.53%	95.50%
2018	2,601	41,231,513	15,852	0.56%	308	1:15	1:15	1:17	2,601.3	2,476.2	1.17%	95.19%
2019	2,548	45,338,155	17,794	12.25%	331	1:13	1:14	1:17	2,548.1	2,430.7	-2.05%	95.39%
2020	2,563	47,280,001	18,447	3.67%	335	1:12	1:13	1:14	2,562.8	2,466.3	0.58%	96.23%
2021	2,495	47,783,260	19,152	3.82%	336	1:13	1:14	1:16	2,495.0	2,385.3	-2.65%	95.60%
2022	2,564	^d 51,757,338	20,186	5.40%	342	1:11	1:13	1:16	2,500.4	2,337.8	0.22%	93.50%
2023	2,620	^d 58,080,105	22,168	9.82%	354	1:12	1:13	1:16	2,605.2	2,450.7	4.19%	94.07%

Sources: District records

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

ELMWOOD PARK BOARD OF EDUCATION
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

<u>District Building</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>
Gantner Elementary School										
Square Feet	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453
Enrollment	375	354	375	359	352	317	310	332	323	342
Gilbert Elementary School										
Square Feet	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767
Enrollment	409	395	406	414	449	412	411	386	404	413
16th Avenue School										
Square Feet	53,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525
Enrollment	462	325	467	466	485	470	470	422	400	423
High School/Middle School										
Square Feet	210,822	210,822	210,822	210,822	210,822	210,822	210,822	212,460	212,460	212,460
Enrollment	1,273	1,267	1,260	1,303	1,315	1,349	1,372	1,355	1,374	1,383

Number of Schools at June 30, 2023
 Elementary = 3
 High/Middle School = 1

Source: District Records

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

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
School Facilities										
Memorial/Middle/High School	\$ 412,841	\$ 320,628	\$ 317,224	\$ 265,472	\$ 385,596	\$ 332,452	\$ 306,447	\$ 414,603	\$ 426,887	\$ 361,259
Gantner Avenue Elementary School	76,460	62,269	57,860	48,420	70,331	60,638	54,982	75,039	77,261	206,439
Gilbert Avenue Elementary School	129,661	60,464	82,414	68,964	100,170	86,364	73,309	106,874	110,041	186,201
Sixteenth Avenue Elementary School	<u>128,675</u>	<u>118,539</u>	<u>95,586</u>	<u>79,993</u>	<u>116,189</u>	<u>100,175</u>	<u>90,832</u>	<u>123,965</u>	<u>127,637</u>	<u>189,456</u>
Grand Total	<u>\$ 747,637</u>	<u>\$ 561,900</u>	<u>\$ 553,084</u>	<u>\$ 462,849</u>	<u>\$ 672,286</u>	<u>\$ 579,629</u>	<u>\$ 525,570</u>	<u>\$ 720,481</u>	<u>\$ 741,826</u>	<u>\$ 943,355</u>

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - (1)		
Building and Contents (All Locations)	\$ 500,000,000	\$ 5,000
Boiler and Machinery	100,000,000	25,000
Automobile Liability Coverage	16,000,000	1,000
Comprehensive General Liability	16,000,000	100
School Leaders Errors & Omissions Liability	16,000,000	10,000
Workers Compensation and Employer's Liability	21,987,041	
Public Employee Dishonest with Faithful Performance	50,000	500
Electronic Data Processing	500,000,000	1,000
School Violent Act Coverage (2)	1,000,000	
Cyber Liability (3)	2,000,000	25,000
Surety Bonds (4)		
Board Secretary/Business Administrator	350,000	
Treasurer of School Monies	350,000	

- (1) New Jersey School Insurance Group
(2) AIG/National Union Fire Insurance Company
(3) Great American Insurance Group
(4) Hartford Fire Insurance Company

Source: District records

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Elmwood Park Board of Education
Elmwood Park, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elmwood Park Board of Education as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Elmwood Park Board of Education's basic financial statements and have issued our report thereon dated October 16, 2023.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

LERCH, VINCI & BLISS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 16, 2023



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Elmwood Park Board of Education
Elmwood Park, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Elmwood Park Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Elmwood Park Board of Education's major federal and state programs for the fiscal year ended June 30, 2023. The Elmwood 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 Elmwood Park Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

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

We are required to be independent of the Elmwood 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 the Elmwood 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, regulation, rules, and provisions of contracts or grant agreements applicable to the Elmwood 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 the Elmwood 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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Elmwood 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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Elmwood 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 the Elmwood 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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Elmwood 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 an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal and state program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elmwood Park Board of Education, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated October 16, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 16, 2023

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

Federal/Grantor/Pass-Through Grantor/ Program Title	AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2022		Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Balance, June 30, 2023		Memo GAAP Receivable
					(Account Receivable)	Deferred Revenue					(Account Receivable)	Deferred Revenue	
U.S. Department of Education Passed-through State Department of Education													
Enterprise Fund													
School Breakfast Program	10.553	221NJ304N1099	7/1/21-6/30/22	\$ 128,972	\$ (9,633)			\$ 9,633					\$ -
School Breakfast Program	10.553	231NJ304N1099	7/1/22-6/30/23	75,984				70,847	\$ 75,984	\$ (5,137)			\$ (5,137)
National School Lunch Program	10.555	231NJ304N1099											-
Cash Assistance			7/1/21-6/30/22	1,298,387	(67,370)			67,370					-
Cash Assistance			7/1/22-6/30/23	526,643				498,808	526,643	(27,835)			(27,835)
Non-Cash Assistance (Food Distribution)			7/1/21-6/30/22	91,997	\$ 4,988					4,988			-
Non-Cash Assistance (Food Distribution)			7/1/22-6/30/23	57,181				57,181	56,720		\$ 461		-
Supply Chain Assistance			7/1/22-9/30/23	126,422				126,422	126,422				-
Total Child Nutrition Cluster/Enterprise Fund					(77,003)	4,988	-	-	830,261	790,757	(32,972)	461	(32,972)
Special Revenue Fund													
ESEA													
Title I	84.010	S010A210030	7/1/21-9/30/22	513,837	(278,765)	\$ 133,322	\$ (71,671)	\$ 71,671	207,094	61,651	-	-	\$ -
Title I	84.010	S010A220030	7/1/22-9/30/23	494,411			71,671	(71,671)	305,515	551,990	(260,567)	14,092	(246,475)
Title I SIA	84.010	S010A210030	7/1/21-9/30/22	10,000	(4,533)	2,609	(2,609)	2,609	1,924				-
Title I SIA	84.010	S010A220030	7/1/22-9/30/23	20,000			2,609	(2,609)	18,567	18,673	(4,042)	3,936	(106)
Total ESEA Title I					(283,298)	135,931	-	-	533,100	632,314	(264,609)	18,028	(246,581)
Title II, Part A	84.367A	S367A210029	7/1/21-9/30/22	59,433	(45,237)	33,342	(12,708)	12,708	32,529	20,634	-	-	-
Title II, Part A	84.367A	S367A220029	7/1/22-9/30/23	76,659			12,708	(12,708)	71,157	81,507	(18,210)	7,860	(10,350)
Total ESEA Title II, Part A					(45,237)	33,342	-	-	103,686	102,141	(18,210)	7,860	(10,350)
Title III	84.365	S365A210030	7/1/21-9/30/22	30,778	(17,003)	49	(49)	49	16,954				-
Title III	84.365	S365A220030	7/1/22-9/30/23	30,967			49	(49)	307	3,007	(30,709)	28,009	(2,700)
Title III, Immigrant	84.365	S365A210030	7/1/21-9/30/22	14,487	(9,962)	9,675	(3,566)	3,566	6,396	6,109			-
Title III, Immigrant	84.365	S365A220030	7/1/22-9/30/23				3,566	(3,566)			(3,566)	3,566	-
Total ESEA Title III					(26,965)	9,724	-	-	23,657	9,116	(34,275)	31,575	(2,700)
ESEA Title IV	84.424	S424A210031	7/1/21-9/30/22	44,229	(58,225)	58,225	(33,775)	33,775	24,450	24,450			-
ESEA Title IV	84.424	S424A220031	7/1/22-9/30/23	42,654			33,775	(33,775)	37,647	57,837	(38,782)	18,592	(20,190)
Total ESEA Title IV					(58,225)	58,225	-	-	62,097	82,287	(38,782)	18,592	(20,190)
I.D.E.A. Part B, Basic Regular	84.027	H027A210100	7/1/21-9/30/22	663,165	(29,208)	17,168	(17,168)	17,168	12,040				-
I.D.E.A. Part B, Basic Regular	84.027	H027A220100	7/1/22-9/30/23	666,591			17,168	(17,168)	657,340	660,154	(26,419)	23,605	(2,814)
I.D.E.A. Part B, ARP Basic	84.027X	H027X210100	7/1/21-9/30/22	139,076	(80,504)	61,032			48,858	58,398	(31,646)	2,634	(29,012)
I.D.E.A. Part B, Preschool	84.173	H173A220114	7/1/22-9/30/23	26,572					26,572	(26,572)			(26,572)
I.D.E.A. Part B, ARP Preschool	84.173X	H173X210114	7/1/21-9/30/22	11,824	(1,376)	1,243			1,166	1,033	(210)	210	-
Total Special Education Cluster IDEA					(111,088)	79,443	-	-	719,404	746,157	(84,847)	26,449	(58,398)

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

Federal/Grantor/Pass-Through Grantor/ Program Title	AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2022		Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Balance, June 30, 2023		Memo GAAP Receivable
					(Account Receivable)	Deferred Revenue					(Account Receivable)	Deferred Revenue	
Elementary and Secondary School Emergency Relief (ESSER)													
American Rescue Plan Consolidated													
ARP ESSER III	84.425D	S425U210027	3/13/20-9/30/24	\$ 4,463,617	\$ (4,463,617)	\$ 4,463,617			\$ 1,053,013	\$ 1,970,620	\$ (3,410,604)	\$ 2,492,997	\$ (917,607)
Accelerated Learning Coach and Educator Support	84.425D	S425U210027	3/13/20-9/30/24	256,877	(256,877)	256,877					(256,877)	256,877	-
Evidence Based Summer Learning and Enrichment	84.425D	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000					(40,000)	40,000	-
Evidence Based Comprehensive Beyond the School Day	84.425D	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000					(40,000)	40,000	-
NJTSS Mental Health Support Staffing	84.425D	S425U210027	3/13/20-9/30/24	45,000	(45,000)	45,000					(45,000)	45,000	-
ARP Homeless Children and Youth II	84.425D	S425W210031	4/23/21-9/30/24	29,456					29,456	29,456	-	-	-
Elementary and Secondary School Emergency Relief (ESSER II)													
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act													
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	1,986,094	(1,553,573)	1,226,280			1,281,015	1,218,730	(272,558)	7,550	(265,008)
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	127,458	(127,458)	116,375			57,250	103,963	(70,208)	12,412	(57,796)
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(42,150)	40,500			42,150	40,500	-	-	-
Total ESSER Cluster					(6,568,675)	6,228,649	-	-	2,462,884	3,363,269	(4,135,247)	2,894,836	(1,240,411)
Total Special Revenue Fund					\$ (7,093,488)	\$ 6,545,314	-	-	3,904,828	4,935,284	\$ (4,575,970)	\$ 2,997,340	\$ (1,578,630)
U.S. Department of Health and Human Services													
General Fund													
Medical Assistance Program	93.778	2005NJSMAP	7/1/22-6/30/23	46,412					46,412	46,412			-
FCRA/SEMI	93.778	2005NJSMAP	1/1/21-12/31/21	685					685	685			-
Total General Fund					-	-	-	-	47,097	47,097	-	-	-
Total Federal Awards					\$ (7,170,491)	\$ 6,550,302	\$ -	\$ -	\$ 4,782,186	\$ 5,773,138	\$ (4,608,942)	\$ 2,997,801	\$ (1,578,630)

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2023			Memo		
								(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education													
Current Expense:													
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	\$ 10,375,285	\$ (948,222)	\$ 948,222								
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	12,963,648		11,785,424	\$ 12,963,648		\$ (1,178,224)				\$ 12,963,648	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	2,318,383	(211,883)	211,883								
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	2,318,383		2,107,673	2,318,383		(210,710)				2,318,383	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	760,674	(69,520)	69,520								
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	760,674	-	691,539	760,674	-	(69,135)	-	-	-	760,674	
Total State Aid Public Cluster			29,497,047	(1,229,625)	15,814,261	16,042,705	-	(1,458,069)	-	-	-	16,042,705	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	547,120	(50,002)	50,002								
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	547,120		497,394	547,120		(49,726)				547,120	
Nonpublic Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	44,950	(44,950)	44,950								
Nonpublic Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	63,638			63,638		(63,638)			\$ (63,638)	63,638	
Extraordinary Aid	22-495-034-5120-473	7/1/21-6/30/22	978,236	(978,236)	978,236								
Extraordinary Aid	23-495-034-5120-473	7/1/22-6/30/23	946,064			946,064		(946,064)				946,064	
Payment for Institutionalized Children - Unknown District of Residence	23-495-034-5120-005	7/1/22-6/30/23	206,227			206,227		(206,227)				206,227	
Lead Testing for Schools Aid	23-495-034-5120-104	7/1/22-6/30/23	3,636		3,636	3,636						3,636	
On Behalf Payments													
TPAF Social Security	22-495-034-5094-003	7/1/21-6/30/22	1,211,355	(58,441)	58,441								
TPAF Social Security	23-495-034-5094-003	7/1/22-6/30/23	1,275,372		1,151,034	1,275,372		(124,338)				1,275,372	
TPAF Pension and OPEB													
Pension - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	78,302		78,302	78,302						78,302	
Pension Benefit Contribution	23-495-034-5094-002	7/1/22-6/30/23	5,643,853		5,643,853	5,643,853						5,643,853	
Post Retirement Medical Benefit Contribution	23-495-034-5094-001	7/1/22-6/30/23	1,503,196		1,503,196	1,503,196						1,503,196	
Long Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	2,927		2,927	2,927						2,927	
Total General Fund				(2,361,254)	25,826,232	26,313,040	-	(2,848,062)	-	-	(394,203)	26,313,040	
Special Revenue:													
Auxiliary Services Ch. 192:													
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	74,351	16,572			\$ 16,572						
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	84,006		84,006	65,425				\$ 18,581		65,425	
English as a Second Language	22-100-034-5120-067	7/1/21-6/30/22	10,049	2,741			2,741						
English as a Second Language	23-100-034-5120-067	7/1/22-6/30/23	14,533		14,533	8,520					6,013	8,520	
Transportation	22-100-034-5120-067	7/1/21-6/30/22	28,431		-	-	28,431						
Total Auxiliary Services (Ch. 192) Cluster			47,744		98,539	73,945	47,744	-	-	24,594	-	73,945	
Handicapped Services Ch. 193:													
Examination and Classification	22-100-034-5120-066	7/1/21-6/30/22	41,522	19,342			19,342						
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	28,245		28,245	8,919				19,326		8,919	
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	25,296	6,324									
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	33,480		33,480	28,320				5,160		28,320	
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	22,302	5,617			5,617						
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	22,302		22,302	12,638				9,664		12,638	
Total Handicapped Services (Ch. 193) Cluster			31,283		84,027	49,877	31,283	-	-	34,150	-	49,877	
New Jersey Nonpublic Aid:													
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	13,204	240			240						
Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	13,596		13,596	13,555				41		13,555	
Nursing Services	22-100-034-5120-070	7/1/21-6/30/22	24,640	1,723									
Nursing Services	23-100-034-5120-070	7/1/22-6/30/23	23,072		23,072	21,000				2,072		21,000	
Nonpublic Technology	22-100-034-5120-373	7/1/21-6/30/22	9,240	505									
Nonpublic Technology	23-100-034-5120-373	7/1/22-6/30/23	8,652		8,652	8,652						8,652	
Nonpublic Security	22-100-034-5120-084	7/1/21-6/30/22	38,500	849			849						
Nonpublic Security	23-100-034-5120-084	7/1/22-6/30/23	42,230		42,230	38,059				4,171		38,059	
Total New Jersey Nonpublic Aid			3,317		87,550	81,266	3,317	-	-	6,284	-	81,266	

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2023			Memo	
								(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
New Jersey Schools Development Authority Emergent and Capital Maintenance Needs	N/A	7/1/22-6/30/23	\$ 61,282	-	\$ 61,282	\$ 61,282	-	-	-	-	-	\$ 61,282
Total Special Revenue Fund				\$ 82,344	331,398	266,370	\$ 82,344	-	-	\$ 65,028	-	\$ 266,370
State Department of Agriculture												
Food Service:												
National School Lunch Program												
State School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	\$ 30,564	\$ (1,550)	\$ 1,550							
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	20,822		19,755	20,822		\$ (1,067)			\$ (1,067)	\$ 20,822
State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	799	-	733	799	-	(66)	-	-	(66)	799
Total Food Service Fund				(1,550)	22,038	21,621	-	(1,133)	-	-	(1,133)	21,621
Debt Service Fund												
Type II Debt Service Aid	23-495-034-5120-075	7/1/22-6/30/23	248,551	-	248,551	248,551	-	-	-	-	-	248,551
Total State Financial Assistance Subject to Single Audit Determination				\$ (2,280,460)	\$ 26,428,219	\$ 26,849,582	\$ 82,344	\$ (2,849,195)	-	\$ 65,028	\$ (395,336)	26,849,582
State Financial Assistance Not Subject to Major Program Determination												
General Fund												
On-Behalf TPAF Pension System												
Contributions - NCGI	23-495-034-5094-004	7/1/22-6/30/23	78,302		(78,302)	(78,302)						(78,302)
On-Behalf TPAF Pension System												
Contributions - Normal	23-495-034-5094-002	7/1/22-6/30/23	5,643,853		(5,643,853)	(5,643,853)						(5,643,853)
On-Behalf TPAF Post-Retirement Medical												
Contribution	23-495-034-5094-001	7/1/22-6/30/23	1,503,196		(1,503,196)	(1,503,196)						(1,503,196)
On-Behalf TPAF Long Term												
Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	2,927	-	(2,927)	(2,927)	-	-	-	-	-	(2,927)
Total State Financial Assistance Subject to Major Program Determination				\$ (2,280,460)	\$ 19,199,941	\$ 19,621,304	\$ 82,344	\$ (2,849,195)	\$ -	\$ 65,028	\$ (395,336)	\$ 19,621,304

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

NOTE 1 REPORTING ENTITY

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$195,996 for the general fund and an increase of \$39,198 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 47,097	\$ 26,117,044	\$ 26,164,141
Special Revenue Fund	4,974,482	266,370	5,240,852
Debt Service Fund		248,551	248,551
Food Service Fund	<u>790,757</u>	<u>21,621</u>	<u>812,378</u>
Total Financial Assistance	<u>\$ 5,812,336</u>	<u>\$ 26,653,586</u>	<u>\$ 32,465,922</u>

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,275,372 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2023. The amount reported as TPAF Pension System Contributions in the amount of \$5,722,155, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,503,196 and TPAF Long-Term Disability Insurance in the amount of \$2,927 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

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

Part II – Schedule of Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraph 5.18 of *Government Auditing Standards*.

There are none.

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

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

**ELMWOOD PARK BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (section .315(a)(b)) and New Jersey OMB's Circular 15-08.

Status of Prior Year Findings

Finding 2022-001

Our audit revealed net cash resources exceeded three months of average expenditures at June 30, 2022 in the Food Service Fund.

Current Status

Corrective action has been taken.