

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023

Demarest, New Jersey

**ANNUAL COMPREHENSIVE FINANCIAL
REPORT**

of the

Northern Valley Regional High School

District Demarest, New Jersey

For The Fiscal Year Ended June 30, 2023

Prepared by

**Northern Valley Regional High School
District Business Office**

Northern Valley Regional High School District

Demarest, New Jersey

Annual Comprehensive Financial Report
For the Year Ended June 30, 2023

Prepared by

Business Office

Northern Valley Regional High School District

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Introductory Section



November 21, 2023

Honorable President and Members of the Board of Education
Northern Valley Regional High School District
162 Knickerbocker Road
Demarest, N.J.

Dear Board Members:

The Annual Comprehensive Financial Report (the "ACFR") of the Northern Valley Regional High School District for the fiscal year ending June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data, completeness, and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in the report is accurate in all material respects. The report is designed to present an overview of the financial position and operational results of the District's various funds. 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 it. Northern Valley's MD&A can be found immediately following the "Independent Auditors' Report".

The ACFR is presented in five sections: (1) the introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials, (2) the financial section includes the basic financial statements and schedules, as well as the Independent Auditors' Report, (3) the supplementary schedules provide insight into the public school's fiscal year, (4) the statistical section includes selected financial and demographic information, generally presented on a multiyear basis, (5) the single audit section of this report includes conformity with the provisions of the U.S. Uniform Guidance and State of New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The single audit section of this report includes the auditors' reports on the internal controls structure, compliance with applicable laws, regulations, findings and recommendations.

1) REPORTING ENTITY AND ITS SERVICES: The Northern Valley Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in codification section 2100. The report includes all funds of the District. The Northern Valley Regional High School District Board of Education and all its schools constitute the District's reporting entity.

The district is the Local Educational Agency responsible for twenty-two co-operative programs involving its constituent elementary schools. In addition to the constituent districts, it services the neighboring Alpine School District, which completes a Bergen County regional consortium that is recognized by the Department of Education. In cooperation with other Districts throughout Bergen County, the District's regional services are available on a tuition basis if the program size and space matches' student and professional staff needs. The overall program services students with disabilities on a local level and students from surrounding public schools. The program enhances the opportunity for shared professional services, curriculum development, and provides shared business and technology services for elementary districts.

The Northern Valley Regional High School District is comprised of the municipalities of Closter, Demarest, and Haworth that are constituents of the high school in Demarest. Harrington Park, Northvale, Norwood, and Old Tappan are constituents of the high school at Old Tappan. The 17.3 square mile district has a population of 37,949 as per the 2020 census. The primary language spoken at home is: English 77.3% Korean 10.2%, Hebrew 3.1%, Spanish 2.8%, Chinese .9% Russian .7%, Gujarati .6% and Other 4.4%. All of the communities are considered upper middle class. The District's high schools house grades 9 through 12 with enrollments of 980 at Demarest High school and 1,005 at Old Tappan High School, based on the October 15, 2022 ASSA report. The Valley Regional program operates out of the district's Northern Valley Central facility in Norwood and leases classrooms at local district Public Schools to house approximately 187 Special Education students from 38 different Districts.

The district's administrative building adjoins the high school at Demarest. The district is governed by an elected Board of Education, who serves three-year terms and is administered by a Superintendent of Schools, School Business Administrator/Board Secretary, and other appropriate administrators and supervisors. The Board seats are proportionate to student enrollment by town. The current membership consists of Closter (2), Demarest (1), Haworth (1), Harrington Park (1), Northvale (1), Norwood (1), and Old Tappan (2).

The faculty consists of 305 teachers with 89% holding advanced degrees. This represents certified staff in the high schools and the regional programs. Often our staff members achieve recognition as outstanding educators.

The accomplishments of our students reflect their considerable talents and working relationship with the faculty and staff. The successes of our students extend far beyond the classroom and are demonstrated by the many awards and scholarships that they have received.

2) **ECONOMIC CONDITION AND OUTLOOK:** The Northern Valley Regional High School District is economically stable. Unemployment in Bergen County is 3.4% as of 2022 and the per capita income is \$97,343 as of 2021. This is the latest information available on record. The County of Bergen still remains the 4th highest amongst New Jersey counties and above state average. Bergen County, New Jersey is considered one of the wealthiest areas in the nation. The population of the area has remained stable since 1970. The population grew substantially between 1950 and 1970. School facilities were constructed to accommodate the educational needs. Additions were added to the school in 2004. State Aid to public school districts in New Jersey is based on the School Funding Reform Act (the "Act")

The Act is an attempt to equalize educational expenditures per pupil between wealthy and poorer school districts. The last several years the Department of Education has abandoned the State Aid formulas, which support transportations aid, technology aid, special education aid, and bilingual aid due to the State financial debt. The State's inability to financially support public schools is a current topic of debate before the citizens. The District maintains a balance in their capital reserve account and set aside funds from the 2022-2023 year as a reserve to reduce the subsequent year tax levy. Uncertainty of state aid impacts the district's ability to plan future tax relief and facility upgrades.

The district received \$3,495,029 of State Aid (budgetary basis) for the 2022-2023 school budget for the general fund. Northern Valley Regional High School District recognized the State's contribution on behalf for TPAF Pension and Social Security. These contributions are equivalent to approximately 19% of the original General Fund budget, while the school district State Aid is 5% of the original General Fund budget. The district also recognized that the State of NJ has not funded the pension contribution stated in the fiscal section of the audit. Future funding of New Jersey school districts is uncertain at this time based on the State's concerns that property taxes are the highest in the country.

3) **MAJOR INITIATIVES:** The Northern Valley Regional High School District is continuously planning for the future. The Board and Administration review educational programs and facility needs as part of the district's annual resources review. The district is in the process of updating its five year Long Range Facility Plan, which was last revised in 2019. The report reflects the future needs of the district. The district amends the plan accordingly to reflect projects that have been completed during the school year.

4) **INTERNAL CONTROLS:** The administration of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that financial statements are prepared in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Specific accounting controls secure district assets by processes for receipt of revenue, disbursement of purchase orders and payroll. Receipts are recorded and reconciled. Purchasing controls include multiple signatures on purchasing requests and counter signatures on disbursements warrants. Additionally, new personnel go through a series of independent documentation before the payroll process begins. The administration provides controls that exceed minimum requirements in all of these areas.

As a recipient of federal and state awards, the District is responsible for providing an adequate internal control structure to ensure compliance to these programs. This internal control is subject to periodic evaluations by the District management. The single audit procedures are evaluated to assess the risk associated with the internal control structure, as it relates to compliance with federal and state award programs. The District process is adjusted accordingly to comply with any changes in the law and regulations.

5) BUDGETARY CONTROLS: The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual budget approved by the Board of Education. The budget reflected a 1.90% increase in the tax levy. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Capital project budgets are approved for building infrastructure improvements and are funded from the Capital Reserve Account or the issuance of long-term debt. The final budget amounts, as amended for the fiscal year, are reflected in the financial section. Expenditures are recorded by department and location for internal purposes. This permits supervisors and administrators to monitor encumbrances so not to exceed budgetary allocations.

6) ACCOUNTING SYSTEM AND REPORTS: The District's Accounting records reflect Generally Accepted Accounting Principles as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in the "Notes to the Financial Statements, Note 1."

7) DEBT ADMINISTRATION: The voters of the District approved a building project totaling \$29,881,000 on September 25, 2001. The State of New Jersey, in accordance with the Educational Facilities and Capital Financing Act, has earmarked a \$6,546,180 grant to support the funding for the project. The District funded \$23,334,000 with a \$10,000,000 sale in December 2001 and a \$13,334,000 sale in February 2002. On December 20, 2006, the district refunded the school bonds based on the balance of \$19,680,000. On February 2, 2017 the district refunded the school bonds based on the balance of \$7,400,000.

On April 21, 2009 the voters approved a referendum for improvements to roofs and exterior items such as windows and brick replacement for a total of \$3,816,888. The district funded the referendum with a bond sale of \$2,290,000.

On March 8, 2016 the voters approved a referendum for improvements at both Old Tappan and Demarest High School, including upgrades to auditoriums at both schools, the addition of physics, forensic and STEM classrooms, lighting and security upgrades, tennis courts and tracks. The total amount approved by the referendum was \$11,707,485. The District funded

the projects with a bond sale of \$11,707,000 on July 12, 2016.

The district's total obligation in bonds as of June 30, 2023 is \$9,097,000 (see below).

PURPOSE	DATE OF ISSUE	AMOUNT OF ISSUE	BALANCE JUNE 30, 2023
School Improvements	7/15/2009	\$2,290,000	\$ 540,000
improvements to roofs and exterior items; windows and brick replacement			
School Improvements	7/12/2016	\$11,707,000	\$8,557,000
upgrades to auditoriums, addition of Physics, forensic and STEM classrooms			
DISTRICT TOTAL OBLIGATION AS OF JUNE 30, 2023			\$9,097,000

The district's additions at both high schools allow students to enjoy facilities that are appropriate for today's educational program. The district will continue the prudent fiscal path during the 2023-2024 school year to provide the constituent districts with a favorable tax impact and maintain high quality facilities with reasonable longevity.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to the Financial Statements"; Note 3 The District has an approved policy authorizing the board secretary to invest current funds within the limitations of the State of New Jersey statutes. Excess funds are invested according to procedures on a continuous basis. This resulted in \$380,872 interest income for the 2022-2023 school year. This represents a significant increase in interest income from the previous year's total of \$85,758.

9) RISK MANAGEMENT: The Board of Education policy states that the appropriate insurance coverage is attained at the most reasonable cost. The Board carries several types of insurance including property and liability. Property insurance including all buildings and contents is limited to \$139,853,900 loss. All insurance claims are handled through the Board Secretary and the Board appointed risk manager. These insurance limits represent significant increases in coverage with a new insurance carrier, New Jersey School Board Association Insurance Group.


10) OTHER INFORMATION: State statutes require an annual audit by an independent certified public accountant or registered municipal accountant that is licensed as a public school accountant. The accounting firm of PKF O'Connor Davies, LLP was approved by the Board of Education.


In addition to meeting the requirements set forth in state statutes, the audit is designed to meet the requirements of U.S. Uniform Guidance and State of New Jersey OMB Circular 15-08. The auditors' report on the basic financial statements, combining and individual non-major fund statements and other schedules are included in the financial section of this report. The auditors' report related specifically to the Federal and State Grant funds and State Aid are included in the single audit section of this report.

report related specifically to the Federal and State Grant funds and State Aid are included in the single audit section of this report.

11) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Northern Valley Regional High School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the integrity and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administration, support staff, and financial and accounting staff.

Respectfully Submitted


James Santana
Superintendent


Marc A. Capizzi
School Business Administrator/
Board Secretary

Programs

Neal Moles

Valley

Occupational & Physical Therapy

Gifted & Talented

Senior Options – Structured Learning Experience

Professional Development

Teens & Tots

Little Tots

Athletic

Access

Curriculum Development

Home Consulting

Summer K-8

Psychiatric

Speech Evaluations

Learning Evaluations

Behavior Evaluations

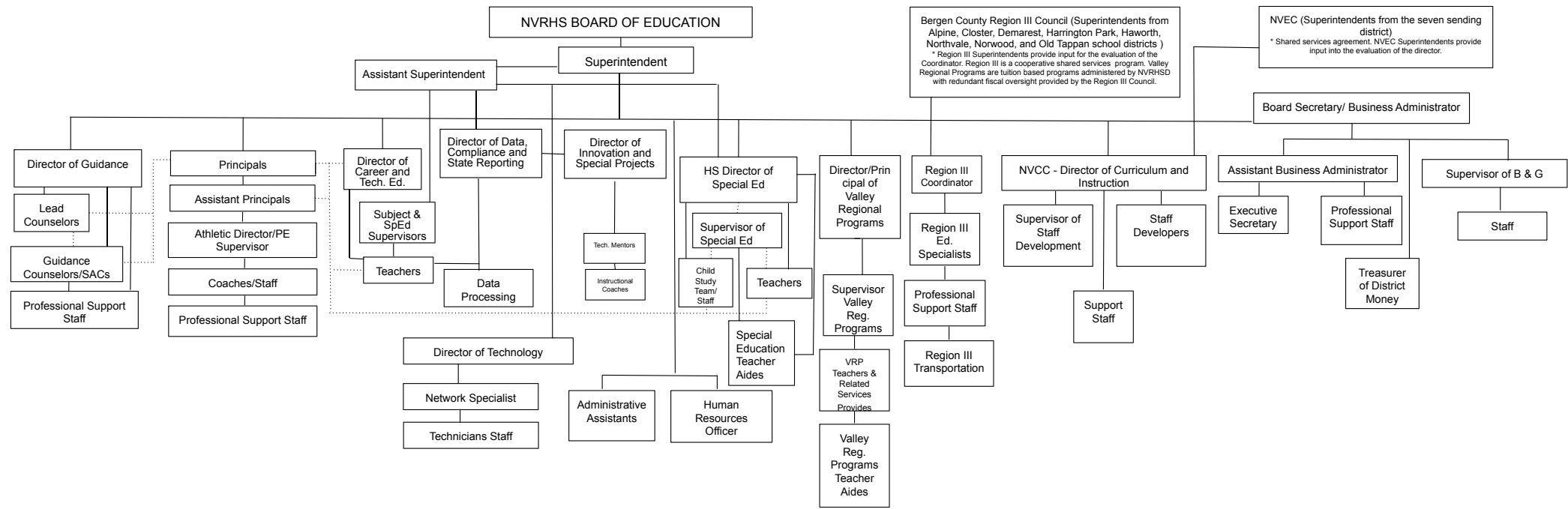
Social Skills - After School

Summit Success

TIP

SLICE

Summit Academy



NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

ROSTER OF OFFICIALS

JUNE 30, 2023

Members of the Board of Education

Term Expires

Mr. Joseph Argenziano, President	2023
Mr. Ghanshyam C. Vaghasia, Vice President	2024
Ms. Donna Costello	2024
Ms. Jennifer Hoehn	2024
Mrs. Tiffany Kaplan	2023
Ms. Michele LaTour	2024
Ms. Lori Ross	2025
Mr. Joseph Saunier	2025
Ms. Jessica Spillane	2023

Other Officials

Title

Mr. James Santana	Superintendent
Ms. Deborah Sarmir	Assistant Superintendent
Mr. Marc Capizzi	Business Administrator/Board Secretary
Ms. Colleen Briggs	Assistant Business Administrator
Mr. Daniel Hauser	Assistant Business Administrator
Dr. Timothy Gouraige	Principal, NVRHS at Old Tappan
Dr. Bruce Sabatini	Principal, NVRHS at Demarest
Dr. Blair Rosenthal	Principal, Northern Valley Central

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors - 06/30/23

Architect

Di Cara Rubino Architects
30 Galesi Drive West Wing
Wayne, NJ 07470

Engineer

Colliers Engineering & Design
331 Newman Springs Road, Suite 203
Red Bank, NJ 07701

General Council Attorney

Cleary, Jacobbe, Alfieri & Jacobs
955 State Route 34, Suite 200
Matawan, New Jersey 07747

Special Education/HIB Attorney

Machado Law Group, LLC
1 Cleveland Place
Springfield, New Jersey 07081

Auditor

PKF O'Connor Davies, LLP
300 Tice Boulevard, Suite 315
Woodcliff Lake, NJ 07677

Official Depository

Columbia Bank
19-01 Route 208 North
Fair Lawn, New Jersey 07410

Valley National Bank
1460 Valley Road
Wayne, New Jersey 07470

New Jersey Asset & Rebate Management Program
PO Box 11813
Harrisburg, PA 17108-1813

Financial Section



Independent Auditors' Report

**The Honorable President and Members
of the Board of Education
Northern Valley Regional High School District
County of Bergen
Demarest, New Jersey**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Northern Valley Regional High School District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

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

PKF O'CONNOR DAVIES, LLP
300 Tice Blvd., Suite 315, Woodcliff Lake, NJ 07677 | Tel: 201.712.9800 | Fax: 201.712.0988 | www.pkfod.com

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**The Honorable President and Members
of the Board of Education
Northern Valley Regional School District**

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Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and *Government Auditing Standards*, we:

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

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

**The Honorable President and Members
of the Board of Education
Northern Valley Regional School District**

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 District's basic financial statements. The combining and individual fund financial statements, long-term debt schedules, and the schedules of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements, long-term debt schedules and 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 Comprehensive Financial Report for the year ended June 30, 2023. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 basic 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.

**The Honorable President and Members
of the Board of Education
Northern Valley Regional School District**

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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
November 21, 2023



Gary W. Higgins, CPA
Licensed Public School Accountant, No. 814

Required Supplementary Information – Part I

Management's Discussion and Analysis

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

The discussion and analysis of the Northern Valley Regional High School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the financial statements as well as the financial statements themselves to enhance their understanding of the District's financial performance.

Financial Highlights

- General revenues accounted for \$60,358,861 in revenue or 55 percent of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$48,496,611 or 45 percent of all revenues.
- Total net position of governmental activities amounted to \$13,375,826 as of June 30, 2023.
- The District had \$75,742,747 in expenses related to governmental activities; only \$19,458,904 were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$60,253,613 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$79,932,133 in revenues and other financing sources and \$80,370,273 in expenditures and other financing uses. The General Fund's fund balance decreased in the fiscal year ended June 30, 2023 by \$438,140 from the fiscal year ended June 30, 2022 balance of \$14,007,697 to \$13,569,557.

Using the Annual Comprehensive Financial report (ACFR)

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

The *Statement of Net position* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the district's most significant funds. In the case of the Northern Valley Regional High School District, the General Fund is by far the most significant fund.

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

Reporting the District as a Whole

One of the most important questions asked about the District is "How did we do financially during the fiscal year ended June 30, 2023?" The *Statement of Net position* and the *Statement of Activities*, which appear first in the District's financial statements, report information on the District as a whole and its activities in such a way as to answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities – most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extra-curricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods and services provided. The District has five enterprise funds reported as business-type activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the General Fund, Special Revenue Fund and Debt Service Fund. The Enterprise Fund includes the following major funds: 1) Regional Cooperative Program, 2) Regional Transportation, 3) Regional Special Education and two other non-major programs.

Governmental Funds

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

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

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 District as a Whole

The *Statement of Net Position* provides the perspectives of the District as a whole, showing assets and deferred outflows of resources and liabilities and deferred inflows of resources and the difference between them (net position). Net position may serve over time as a useful indicator of a government's financial position.

The following table provides a summary of the District's net position as of June 30, 2023 and 2022.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets						
Current Assets	\$ 16,423,390	\$ 17,099,213	\$ 6,027,275	\$ 5,094,271	\$ 22,450,665	\$ 22,193,484
Capital Assets	27,777,789	27,537,226	732,526	410,937	28,510,315	27,948,163
Total Assets	<u>44,201,179</u>	<u>44,636,439</u>	<u>6,759,801</u>	<u>5,505,208</u>	<u>50,960,980</u>	<u>50,141,647</u>
Deferred Outflows of Resources	<u>1,552,651</u>	<u>1,200,775</u>	<u>861,296</u>	<u>719,670</u>	<u>2,413,947</u>	<u>1,920,445</u>
Total Assets and Deferred Outflows of Resources	<u>45,753,830</u>	<u>45,837,214</u>	<u>7,621,097</u>	<u>6,224,878</u>	<u>53,374,927</u>	<u>52,062,092</u>
Liabilities						
Long-Term Liabilities	25,933,808	26,032,578	6,428,666	5,662,027	32,362,474	31,694,605
Other Liabilities	3,103,004	3,348,363	785,137	1,071,523	3,888,141	4,419,886
Total Liabilities	<u>29,036,812</u>	<u>29,380,941</u>	<u>7,213,803</u>	<u>6,733,550</u>	<u>36,250,615</u>	<u>36,114,491</u>
Deferred Inflows of Resources	<u>3,341,192</u>	<u>7,050,217</u>	<u>1,853,448</u>	<u>4,225,466</u>	<u>5,194,640</u>	<u>11,275,683</u>
Total Liabilities and Deferred Inflows of Resources	<u>32,378,004</u>	<u>36,431,158</u>	<u>9,067,251</u>	<u>10,959,016</u>	<u>41,445,255</u>	<u>47,390,174</u>
Net Position						
Net Investment in Capital Assets	14,323,633	12,365,066	732,526	410,937	15,056,159	12,776,003
Restricted	10,115,725	10,161,795			10,115,725	10,161,795
Unrestricted	(11,063,532)	(13,120,805)	(2,178,680)	(5,145,075)	(13,242,212)	(18,265,880)
Total Net Position	<u>\$ 13,375,826</u>	<u>\$ 9,406,056</u>	<u>\$ (1,446,154)</u>	<u>\$ (4,734,138)</u>	<u>\$ 11,929,672</u>	<u>\$ 4,671,918</u>

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

The District's combined net position were \$11,929,672 and \$4,671,918 on June 30, 2023 and 2022, respectively. This was an increase of \$7,257,754 from the fiscal year ended June 30, 2022.

The following table shows changes in net position for the fiscal years ended June 30, 2023 and 2022.

Change in Net Position
For The Years Ended June 30, 2023 and 2022

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program Revenues						
Charges for Services	\$ 2,209,177	\$ 1,690,172	\$ 25,492,624	\$ 22,454,133	\$ 27,701,801	\$ 24,144,305
Operating Grants and Contributions	17,195,420	18,833,684	3,492,568	3,584,712	20,687,988	22,418,396
Capital Grants and Contributions	54,307	28,128	52,515	86,652	106,822	114,780
General Revenues						
Property Taxes	58,337,104	58,572,949			58,337,104	58,572,949
State and Federal Aid	388,756	411,837			388,756	411,837
Other	1,527,753	794,875	105,248	14,652	1,633,001	809,527
Total Revenues	<u>79,712,517</u>	<u>80,331,645</u>	<u>29,142,955</u>	<u>26,140,149</u>	<u>108,855,472</u>	<u>106,471,794</u>
Expenses						
Instruction						
Regular	32,187,019	32,863,447			32,187,019	32,863,447
Special Education	5,663,842	5,879,022			5,663,842	5,879,022
Other Instruction	216,019	10,344			216,019	10,344
School Sponsored Activities, Athletics and Programs	6,455,626	3,594,742			6,455,626	3,594,742
Support Services					-	
Student and Instruction Related Services	13,244,213	13,447,941			13,244,213	13,447,941
General and Business Administration Services	3,870,276	4,025,560			3,870,276	4,025,560
School Administration Services	2,719,671	3,098,793			2,719,671	3,098,793
Plant Operations and Maintenance	7,306,730	7,589,389			7,306,730	7,589,389
Pupil Transportation	3,816,170	2,499,246			3,816,170	2,499,246
Interest on Long-Term Debt	263,181	112,635			263,181	112,635
Business-type Activities	-	-	25,854,971	23,164,497	25,854,971	23,164,497
Total Expenses	<u>75,742,747</u>	<u>73,121,119</u>	<u>25,854,971</u>	<u>23,164,497</u>	<u>101,597,718</u>	<u>96,285,616</u>
Change in Net Position	3,969,770	7,210,526	3,287,984	2,975,652	7,257,754	10,186,178
Net Position, Beginning of Year	<u>9,406,056</u>	<u>2,195,530</u>	<u>(4,734,138)</u>	<u>(7,709,790)</u>	<u>4,671,918</u>	<u>(5,514,260)</u>
Net Position, End of Year	<u>\$ 13,375,826</u>	<u>\$ 9,406,056</u>	<u>\$ (1,446,154)</u>	<u>\$ (4,734,138)</u>	<u>\$ 11,929,672</u>	<u>\$ 4,671,918</u>

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

Governmental Activities

The District's total governmental activities revenues were \$79,712,517 and \$80,331,645 for the years ended June 30, 2023 and 2022, respectively. Property taxes made up 73 and 73 percent of revenues for governmental activities for the Northern Valley Regional High School District for fiscal years 2023 and 2022, respectively. Federal, state and local grants and aid accounted for 22 and 24 percent of revenue for the fiscal years ended June 30, 2023 and 2022, respectively.

The total cost of all programs and services was \$75,742,747 and \$73,121,119 for the fiscal years ended June 30, 2023 and 2022, respectively. Instruction comprises 59 and 58 percent of governmental program expenses for the years ended June 30, 2023 and 2022, respectively. Support services expenses make up 41 and 42 percent of governmental expenses for the years ended June 30, 2023 and 2022, respectively. The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

	<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	\$ 32,187,019	\$ 32,863,447	\$ 24,614,801	\$ 23,859,853
Special Education	5,663,842	5,879,022	(185,612)	156,927
Other Instruction	216,019	10,344	166,134	368
School Sponsored Activities, Athletics and Programs	6,455,626	3,594,742	2,872,051	2,808,389
Support Services				
Student and Instruction Related Services	13,244,213	13,447,941	12,059,741	10,056,317
General and Business Administration Services	3,870,276	4,025,560	3,597,998	3,629,762
School Administration Services	2,719,671	3,098,793	2,350,964	2,549,591
Plant Operations and Maintenance	7,306,730	7,589,389	7,059,123	7,241,054
Pupil Transportation	3,816,170	2,499,246	3,485,462	2,154,239
Interest on Long-Term Debt	263,181	112,635	263,181	112,635
	<u>263,181</u>	<u>112,635</u>	<u>263,181</u>	<u>112,635</u>
Total	<u>\$ 75,742,747</u>	<u>\$ 73,121,119</u>	<u>\$ 56,283,843</u>	<u>\$ 52,569,135</u>

Business-Type Activities

The District's total business-type activities revenues were \$29,142,955 and \$26,140,149 and expenses were \$25,854,971 and \$23,164,497 in fiscal years ended June 30, 2023 and 2022, respectively. Of the revenues, \$25,492,624 and \$22,454,133 was from charges for services; \$3,492,568 and \$3,584,712 was from State related on behalf pension reimbursements for the years ended June 30, 2023 and 2022, respectively.

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$85,493,987 and \$83,308,671 and expenditures were \$85,940,658 and \$80,687,595 for the fiscal years ended June 30, 2023 and 2022, respectively. The net change in the governmental funds - fund balances for the year was a decrease of \$446,671.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal years ending June 30, 2023 and 2022.

<u>Revenue</u>	<u>Years Ended</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
	<u>2023</u>	<u>2022</u>		
Local Sources	\$ 64,108,723	\$ 62,380,926	\$ 1,727,797	2.77%
State Sources	19,461,309	19,277,982	183,327	0.95%
Federal Sources	<u>1,923,955</u>	<u>1,649,763</u>	<u>274,192</u>	16.62%
Total Governmental Fund Revenues	<u>\$ 85,493,987</u>	<u>\$ 83,308,671</u>	<u>\$ 2,185,316</u>	2.62%

The following schedule represents a summary of the governmental funds expenditures for the fiscal years ending June 30, 2023 and 2022.

	<u>Years Ended</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
	<u>2023</u>	<u>2022</u>		
Current Expense				
Instruction	\$ 49,882,686	\$ 45,082,213	\$ 4,800,473	10.65%
Support Services	32,093,391	30,454,966	1,638,425	5.38%
Capital Outlay	1,966,593	2,212,367	(245,774)	-11.11%
Debt Service				
Principal	1,620,300	2,650,000	(1,029,700)	-38.86%
Interest and Other Charges	<u>377,688</u>	<u>288,049</u>	<u>89,639</u>	31.12%
Total Expenditures	<u>\$ 85,940,658</u>	<u>\$ 80,687,595</u>	<u>\$ 5,253,063</u>	6.51%

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

General Fund Budgeting Highlights

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

During the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts.

Capital Assets

At the end of fiscal years 2023 and 2022, the District had \$27,777,789 and \$27,537,226 and \$732,526 and \$410,937 invested in land, land improvements, buildings and building improvements, furniture and equipment and vehicles and construction in progress for governmental and business-type activities net of accumulated depreciation/amortization, respectively. Overall capital assets for governmental activities increased \$1,935,034 and business-type activities increased \$361,763 from the fiscal year ended June 30, 2022 to fiscal year ended June 30, 2023. Below is a summary of the capital assets and the related depreciation/amortization for governmental activities and business-type activities at June 30, 2023 and 2022, respectively.

**Capital Assets
Governmental Activities
as of June 30, 2023 and 2022**

	<u>2023</u>	<u>Total</u> <u>2022</u>
Land	\$ 2,804,632	\$ 2,804,632
Land Improvements	12,761,495	12,469,124
Construction in Progress	102,279	1,221,173
Buildings and Building Improvements	37,240,409	34,630,687
Machinery and Equipment	3,703,034	3,551,199
Right to Use Assets - Equipment	<u>1,219,827</u>	<u>1,219,827</u>
	57,831,676	55,896,642
Less Accumulated Depreciation/Amortization	<u>30,053,887</u>	<u>28,359,416</u>
Capital Assets, Net	<u>\$ 27,777,789</u>	<u>\$ 27,537,226</u>

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

Capital Assets
Business-type Activities
as of June 30, 2023 and 2022

	<u>2023</u>	<u>Total</u>	<u>2022</u>
Buildings and Building Improvements	\$ 420,634		\$ 117,241
Land Improvements	198,034		198,034
Machinery and Equipment	<u>595,322</u>		<u>536,952</u>
	1,213,990		852,227
Less Accumulated Depreciation	<u>481,464</u>		<u>441,290</u>
Capital Assets, Net	<u>\$ 732,526</u>		<u>\$ 410,937</u>

Additional information about the District's capital assets can be found in Note 3 of this report.

Long-Term Liabilities

At June 30, 2023 and 2022, the District had \$32,362,474 and \$31,694,605 of long-term liabilities. Of this amount, \$1,361,377 and \$1,973,808 is for compensated absences; and \$9,097,000 and \$10,352,000 of bonds payable, and \$17,546,941 and \$14,548,637 for net pension liability and \$3,733,507 and \$4,116,211 for financed purchases payable, including unamortized premium, respectively, and \$623,649 and \$703,949 for lease payable, respectively.

Additional information about the District's Long-Term Debt can be found in Note 3 of this report.

For the Future

Northern Valley Regional High School District demonstrated strengths in developing and implementing budgets was a major factor in the successes of the 2022-2023 school year. The process is broad based and includes the staff, administration and Board of Education. All effort in the development of a budget are directed at achieving district goals. As we look forward, the administration and staff are prepared to face the new economic realities of no increases in state aid and 2% caps on tax increases. In these difficult times improvement of student achievement will always be our paramount consideration.

***NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023***

Contacting the District's Financial Management

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Marc A. Capizzi, Business Administrator/Board Secretary at Northern Valley Regional High School District, 162 Knickerbocker Road, Demarest, New Jersey 07627.

Basic Financial Statements

District-wide Financial Statements

The district-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2023.

Northern Valley Regional High School District

Statement of Net Position

June 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 14,657,430	\$ 4,395,850	\$ 19,053,280
Accounts receivable	1,742,776	1,639,170	3,381,946
Internal balances	23,184	(23,184)	-
Inventories		15,439	15,439
Capital assets, non-depreciable	2,906,911		2,906,911
Capital assets, depreciable, net	24,870,878	732,526	25,603,404
Total assets	<u>44,201,179</u>	<u>6,759,801</u>	<u>50,960,980</u>
Deferred Outflows Of Resources			
Pension deferrals	1,552,651	861,296	2,413,947
Total deferred outflows	<u>1,552,651</u>	<u>861,296</u>	<u>2,413,947</u>
Liabilities			
Accounts payable	2,342,056	682,916	3,024,972
Accrued interest payable	132,723		132,723
Intergovernmental payables - State	26,565		26,565
Unearned revenue	37,540	39,441	76,981
Other liabilities	564,120	62,780	626,900
Net pension liability	11,286,192	6,260,749	17,546,941
Current portion of long-term obligations	2,295,604	16,792	2,312,396
Noncurrent portion of long-term obligations	12,352,012	151,125	12,503,137
Total liabilities	<u>29,036,812</u>	<u>7,213,803</u>	<u>36,250,615</u>
Deferred Inflow Of Resources			
Pension deferrals	3,341,192	1,853,448	5,194,640
Net Position			
Net investment in capital assets	14,323,633	732,526	15,056,159
Restricted for:			
Debt Service	1		1
Capital reserve	8,858,091		8,858,091
Maintenance reserve	404,758		404,758
Unemployment liability reserve	51,950		51,950
Reserve for student activities	777,714		777,714
Reserve for scholarships	23,211		23,211
Unrestricted (deficit)	(11,063,532)	(2,178,680)	(13,242,212)
Total net position	<u>\$ 13,375,826</u>	<u>\$ (1,446,154)</u>	<u>\$ 11,929,672</u>

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

Northern Valley Regional High School District

Statement of Activities

Year ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities							
Instruction							
Regular	\$ 32,187,019	\$ 477,789	\$ 7,040,122	\$ 54,307	\$ (24,614,801)		\$ (24,614,801)
Special Education	5,663,842	1,725,926	4,123,528		185,612		185,612
Other Instruction	216,019	5,462	44,423		(166,134)		(166,134)
School Sponsored Activities and Athletics	6,455,626		3,583,575		(2,872,051)		(2,872,051)
Support Services					-		-
Student and Instruction Related Services	13,244,213		1,184,472		(12,059,741)		(12,059,741)
School Administration Services	2,719,671		368,707		(2,350,964)		(2,350,964)
General Administration Services	1,604,640		116,859		(1,487,781)		(1,487,781)
Plant Operations and Maintenance	7,306,730		247,607		(7,059,123)		(7,059,123)
Pupil Transportation	3,816,170		330,708		(3,485,462)		(3,485,462)
Business and Other Support Services	2,265,636		155,419		(2,110,217)		(2,110,217)
Interest on long-term debt	263,181				(263,181)		(263,181)
Total governmental activities	<u>75,742,747</u>	<u>2,209,177</u>	<u>17,195,420</u>	<u>54,307</u>	<u>(56,283,843)</u>		<u>(56,283,843)</u>
Business-type activities							
Regional Cooperative Program	1,986,553	1,581,531	414,271			\$ 9,249	9,249
Regional Transportation	5,013,585	5,003,737	-			(9,848)	(9,848)
Regional Special Education	17,021,258	17,059,377	2,986,689	52,515		3,077,323	3,077,323
Other Nonmajor Programs	1,833,575	1,847,979	91,608			106,012	106,012
Total business-type activities	<u>25,854,971</u>	<u>25,492,624</u>	<u>3,492,568</u>	<u>52,515</u>		<u>3,182,736</u>	<u>3,182,736</u>
Total primary government	<u>\$ 101,597,718</u>	<u>\$ 27,701,801</u>	<u>\$ 20,687,988</u>	<u>\$ 106,822</u>	<u>(56,283,843)</u>	<u>3,182,736</u>	<u>(53,101,107)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					57,259,622		57,259,622
Property taxes, levied for debt service					1,077,482		1,077,482
State Aid Restricted for Debt Service					388,756		388,756
Miscellaneous Income					1,527,753	105,248	1,633,001
Total general revenues					<u>60,253,613</u>	<u>105,248</u>	<u>60,358,861</u>
Change in net position					3,969,770	3,287,984	7,257,754
Net Position—beginning					9,406,056	(4,734,138)	4,671,918
Net Position—ending					<u>\$ 13,375,826</u>	<u>\$ (1,446,154)</u>	<u>\$ 11,929,672</u>

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

Fund Financial Statements

Governmental Funds

Northern Valley Regional High School District
Governmental Funds

Balance Sheet

June 30, 2023

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Debt Service Fund	
Assets				
Cash and cash equivalents	\$ 13,856,504	\$ 800,925	\$ 1	\$ 14,657,430
Accounts receivable:				
State	1,107,836	2,076		1,109,912
Federal		388,270		388,270
Other	224,594	20,000		244,594
Interfund	265,949			265,949
Total assets	<u>\$ 15,454,883</u>	<u>\$ 1,211,271</u>	<u>\$ 1</u>	<u>\$ 16,666,155</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,313,369	\$ 111,313		\$ 1,424,682
Intergovernmental payables:				
State		26,565		26,565
Interfunds payable		242,765		242,765
Payroll deductions and withholdings payable	465,907			465,907
Unemployment compensation claims payable	97,813			97,813
Deposits Payable	400			400
Unearned revenue	7,837	29,703		37,540
Total liabilities	<u>1,885,326</u>	<u>410,346</u>		<u>2,295,672</u>
Fund balances:				
Restricted for:				
Excess surplus-current year	179,228			179,228
Capital reserve	7,034,803			7,034,803
Capital reserve - Designated for subsequent year's expenditures	1,823,288			1,823,288
Unemployment compensation	51,950			51,950
Debt Service			\$ 1	1
Maintenance reserve	404,758			404,758
Student activities		777,714		777,714
Scholarships		23,211		23,211
Assigned to:				
Year-end encumbrances	1,353,881			1,353,881
Designated for subsequent year's expenditures	1,111,851			1,111,851
Unassigned:	<u>1,609,798</u>			<u>1,609,798</u>
Total fund balances	<u>13,569,557</u>	<u>800,925</u>	<u>1</u>	<u>14,370,483</u>
Total liabilities and fund balances	<u>\$ 15,454,883</u>	<u>\$ 1,211,271</u>	<u>\$ 1</u>	<u>\$ 16,666,155</u>

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 \$57,831,676 and the accumulated depreciation is \$30,053,887.	27,777,789
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(132,723)
Long-term liabilities, including bonds payable, leases payable and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(14,647,616)
Deferred pension costs in governmental activities are not financial resources and are therefore not reported in the funds.	(1,788,541)
Accrued pension contributions for the June 30, 2023 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in the accounts payable in the government-wide statement of net position.	(917,374)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.	<u>(11,286,192)</u>
Net position of governmental activities	<u>\$ 13,375,826</u>

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

Northern Valley Regional High School District
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2023

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Debt Service Fund	
Revenues				
Local sources:				
Local tax levy	\$ 57,259,621		\$ 1,077,482	\$ 58,337,103
Tuition	2,209,177			2,209,177
Rents and Royalties	519,727			519,727
Interest Income	380,872			380,872
Other Restricted Miscellaneous Revenues	4,665			4,665
Miscellaneous	622,490	\$ 2,034,689		2,657,179
Total local sources	<u>60,996,552</u>	<u>2,034,689</u>	<u>1,077,482</u>	<u>64,108,723</u>
State sources	18,858,590	213,963	388,756	19,461,309
Federal sources	76,991	1,846,964		1,923,955
Total revenues	<u>79,932,133</u>	<u>4,095,616</u>	<u>1,466,238</u>	<u>85,493,987</u>
Expenditures				
Current:				
Regular Instruction	35,296,900	990,609		36,287,509
Special Education Instruction	6,324,495	119,860		6,444,355
Other Instruction	246,693			246,693
School Sponsored Activities and Athletics	3,961,567	2,942,562		6,904,129
Support Services:				
Student and Instruction Related Services	14,558,702			14,558,702
General Administration Services	1,730,671			1,730,671
School Administration Services	3,204,377			3,204,377
Plant Operations and Maintenance	6,387,153			6,387,153
Pupil Transportation	3,816,170			3,816,170
Business and Other Support Services	2,396,318			2,396,318
Capital outlay	1,915,477	51,116		1,966,593
Debt Service:				
Principal	365,300		1,255,000	1,620,300
Interest	166,450		211,238	377,688
Total expenditures	<u>80,370,273</u>	<u>4,104,147</u>	<u>1,466,238</u>	<u>85,940,658</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(438,140)</u>	<u>(8,531)</u>	<u>-</u>	<u>(446,671)</u>
Net change in fund balances	(438,140)	(8,531)	-	(446,671)
Fund balances, July 1	14,007,697	809,456	1	14,817,154
Fund balances, June 30	<u>\$ 13,569,557</u>	<u>\$ 800,925</u>	<u>\$ 1</u>	<u>\$ 14,370,483</u>

The reconciliation of the fund balances of governmental funds to the net position of governmental activities in the statement of net position is presented in an accompanying schedule (B-3).

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

Northern Valley Regional High School District
Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances to the Statement of Activities

Year ended June 30, 2023

Total net change in fund balances - governmental funds (from B-2) \$ (446,671)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the period.

Capital outlays	\$ 1,966,593	
Donated capital assets	3,191	
Depreciation/amortization expense	<u>(1,729,221)</u>	240,563

The repayment of the principal of long-term debt, including financed purchases payable, and leases consumes the current financial resources of governmental funds. This transaction, however, has no effect on net position.

1,620,300

Governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

This amount is the net effect of these differences.

Amortization of Premium on Debt	97,704
---------------------------------	--------

In the statement of activities, interest on long-term debt/capital leases is accrued, regardless of when due. In the governmental funds, interest is reported when due.

16,803

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).

570,298

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

Pension expense

1,870,773

Change in net position of governmental activities (A-2)

\$ 3,969,770

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

Proprietary Funds

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	Business -Type Activities				
	Enterprise Fund				
	Regional Coop Prgm	Major Programs Regional Transportation	Regional Special Ed	Total Nonmajor Enterprise Funds	Total Enterprise Funds
Assets					
Current assets:					
Cash and cash equivalents	\$ 619,029		\$ 3,509,628	\$ 267,193	\$ 4,395,850
Accounts Receivable - State	2,769		19,797	618	23,184
Other Accounts Receivable	27,075	\$ 906,404	676,806	5,701	1,615,986
Due from Other Funds			700,053	-	700,053
Inventories				15,439	15,439
Total current assets	<u>648,873</u>	<u>906,404</u>	<u>4,906,284</u>	<u>288,951</u>	<u>6,750,512</u>
Capital assets:					
Building Improvements			420,634	-	420,634
Land Improvements			198,034	-	198,034
Furniture, machinery & equipment	5,268		305,681	284,373	595,322
Less: Accumulated Depreciation	<u>(5,268)</u>		<u>(263,596)</u>	<u>(212,600)</u>	<u>(481,464)</u>
Total capital assets, net	<u>-</u>	<u>-</u>	<u>660,753</u>	<u>71,773</u>	<u>732,526</u>
Deferred Outflow of Resources					
Deferred Amounts on Net Pension Liability	25,236		836,060	-	861,296
Total Deferred Outflow of Resources	<u>25,236</u>	<u>-</u>	<u>836,060</u>	<u>-</u>	<u>861,296</u>
Total Assets and Deferred Outflow of Resources	<u>674,109</u>	<u>906,404</u>	<u>6,403,097</u>	<u>360,724</u>	<u>8,344,334</u>
Liabilities					
Current Liabilities:					
Accounts payable	27,282	20,951	585,218	49,465	682,916
Due to Other Funds	2,769	700,053	19,797	618	723,237
Other Payable			31,775	31,005	62,780
Unearned revenue			1,550	37,891	39,441
Total current liabilities	<u>30,051</u>	<u>721,004</u>	<u>638,340</u>	<u>118,979</u>	<u>1,508,374</u>
Noncurrent Liabilities					
Compensated Absences	44,359		121,773	1,785	167,917
Net Pension Liability	183,440		6,077,309	-	6,260,749
Total Noncurrent Liabilities	<u>227,799</u>	<u>-</u>	<u>6,199,082</u>	<u>1,785</u>	<u>6,428,666</u>
Total Liabilities	<u>257,850</u>	<u>721,004</u>	<u>6,837,422</u>	<u>120,764</u>	<u>7,937,040</u>
Deferred Inflow of Resources					
Deferred Amounts on Net Pension Liability	54,306		1,799,142	-	1,853,448
Total Deferred Inflow of Resources	<u>54,306</u>	<u>-</u>	<u>1,799,142</u>	<u>-</u>	<u>1,853,448</u>
Total Liabilities and Deferred Inflow of Resources	<u>312,156</u>	<u>721,004</u>	<u>8,636,564</u>	<u>120,764</u>	<u>9,790,488</u>
Net Position					
Investment in capital assets	-	-	660,753	71,773	732,526
Unrestricted	361,953	185,400	(2,894,220)	168,187	(2,178,680)
Total Net Position	<u>\$ 361,953</u>	<u>\$ 185,400</u>	<u>\$ (2,233,467)</u>	<u>\$ 239,960</u>	<u>\$ (1,446,154)</u>

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business -Type Activities				
	Enterprise Fund				
	Major Programs			Total	Total
	Regional <u>Coop Prqgm</u>	Regional <u>Transportation</u>	Regional <u>Special Ed</u>	Nonmajor <u>Enterprise Funds</u>	Enterprise <u>Funds</u>
Operating revenues:					
Charges for Services					
Daily sales-non-reimbursable				\$ 1,386,960	\$ 1,386,960
Special Functions				191,719	191,719
Charges and Fees	\$ 1,580,931	\$ 4,996,737	\$ 17,038,501	269,300	23,885,469
Miscellaneous	600	7,000	20,876	-	28,476
Total operating revenues	<u>1,581,531</u>	<u>5,003,737</u>	<u>17,059,377</u>	<u>1,847,979</u>	<u>25,492,624</u>
Operating expenses:					
Cost of Sales- non-reimbursable				755,489	755,489
Salaries/Salaries of Teachers	995,136		10,053,015	651,872	11,700,023
Employee Benefits	811,109		5,982,701	264,631	7,058,441
Employee Benefits GASB 68 and GASB 75	(180,652)		(1,102,674)	(34,422)	(1,317,748)
Purchased Professional and Technical Services	242,236		348,378	-	590,614
Purchased Property Services			755,965	-	755,965
Other Purchased Services	9,473	5,013,585	196,876	35,460	5,255,394
Supplies and materials	11,571		203,011	59,366	273,948
Management Fee				91,050	91,050
Depreciation			34,245	10,129	44,374
Miscellaneous	97,680		549,741	-	647,421
Total Operating Expenses	<u>1,986,553</u>	<u>5,013,585</u>	<u>17,021,258</u>	<u>1,833,575</u>	<u>25,854,971</u>
Operating Income (Loss)	<u>(405,022)</u>	<u>(9,848)</u>	<u>38,119</u>	<u>14,404</u>	<u>(362,347)</u>
Nonoperating Revenues/Expenses:					
On-Behalf (Non-Budgeted)					
TPAF Pension System					
Post Retirement Medical	73,855		528,027	16,483	618,365
Pension	281,141		2,010,019	62,746	2,353,906
Long-Term Disability	68		487	15	570
Reimbursed TPAF S.S.	59,207		448,156	12,364	519,727
Donations			52,515		52,515
Interest			94,288	10,960	105,248
Total Non-Operating Revenues/Expenses	<u>414,271</u>	<u>-</u>	<u>3,133,492</u>	<u>102,568</u>	<u>3,650,331</u>
Change in net position	9,249	(9,848)	3,171,611	116,972	3,287,984
Total net position-beginning	352,704	195,248	(5,405,078)	122,988	(4,734,138)
Total net position-ending	<u>\$ 361,953</u>	<u>\$ 185,400</u>	<u>\$ (2,233,467)</u>	<u>\$ 239,960</u>	<u>\$ (1,446,154)</u>

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Business -Type Activities				
	Enterprise Fund				
	Regional Coop Prgm	Regional Transportation	Regional Special Ed	Total Nonmajor Enterprise Funds	Total Enterprise Funds
Cash Flows From Operating Activities					
Receipts from customers	\$ 1,581,840	\$ 5,036,901	\$ 16,832,155	\$ 1,857,611	\$ 25,308,507
Payments to Employees and Benefits	(1,279,548)	-	(14,110,511)	(804,689)	(16,194,748)
Payments to Suppliers for Goods and Services	(373,391)	(5,036,901)	(2,319,537)	(979,608)	(8,709,437)
Net Cash Provided by (used for) operating activities	<u>(71,099)</u>	<u>-</u>	<u>402,107</u>	<u>73,314</u>	<u>404,322</u>
Cash Flows from Noncapital Financing Activities					
Cash received from State Subsidy Reimbursement	58,963		447,641	12,326	518,930
Net cash provided by noncapital financing activities	<u>58,963</u>	<u>-</u>	<u>447,641</u>	<u>12,326</u>	<u>518,930</u>
Cash Flows from Capital and Related Financing Activities					
Donations			52,515		52,515
Purchase of capital assets	-	-	(349,059)	(16,904)	(365,963)
Net cash (used for) in capital and related financing activities	<u>-</u>	<u>-</u>	<u>(296,544)</u>	<u>(16,904)</u>	<u>(313,448)</u>
Cash Flows From Investments and Related Financing Activities					
Interest on Deposits			94,288	10,960	105,248
Net cash provided by investment and related financing activities	<u>-</u>	<u>-</u>	<u>94,288</u>	<u>10,960</u>	<u>105,248</u>
Net (decrease) increase in cash and cash equivalents	(12,136)	-	647,492	79,696	715,052
Cash and cash equivalents, beginning of year	631,165	-	2,862,136	187,497	3,680,798
Cash and cash equivalents, end of year	<u>\$ 619,029</u>	<u>\$ -</u>	<u>\$ 3,509,628</u>	<u>\$ 267,193</u>	<u>\$ 4,395,850</u>
Reconciliation of Operating Income (Loss) to net cash provided by (used for) operating activities:					
Operating Income (loss)	\$ (405,022)	\$ (9,848)	\$ 38,119	\$ 14,404	\$ (362,347)
Adjustments to reconcile operating income(loss) to net cash used by operating activities:					
Non-Cash State On Behalf TPAF Pension and OPEB Contributions	355,064		2,538,533	79,244	2,972,841
Depreciation	-		34,245	10,129	44,374
(Increase) Decrease in accounts receivable,net	309	(372,328)	162,235	(3,406)	(213,190)
(Increase) Decrease in inventories				(6,322)	(6,322)
Increase (decrease) in unearned revenues			350	5,933	6,283
Increase (decrease) in other payable			15,170	7,105	22,275
Increase (decrease) in accounts payable	(12,431)	(23,316)	(265,566)	(33,481)	(334,794)
Increase (decrease) in noncurrent liabilities	17,159		(57,402)	(1,890)	(42,133)
Increase (decrease) in net pension liability	(26,422)		(1,658,600)		(1,685,022)
(Increase) decrease in due to/from other funds	244	405,492	(404,977)	1,598	2,357
Total adjustments	<u>333,923</u>	<u>9,848</u>	<u>363,988</u>	<u>58,910</u>	<u>766,669</u>
Net cash provided by (used for) operating activities	<u>\$ (71,099)</u>	<u>\$ -</u>	<u>\$ 402,107</u>	<u>\$ 73,314</u>	<u>\$ 404,322</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Northern Valley Regional High School District (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 is appointed by the Board and is responsible for the administrative control of the District. A 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 Regional High School district for grades 9 through 12.

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 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 Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

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 Northern Valley Regional High School District this includes general operations, food service, preschool program, regional cooperative program, regional transportation program, regional special education 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. Recently Issued and Adopted Accounting Principles

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* in May 2020. This Statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement are effective for periods beginning after June 15, 2022. Management has determined there is no material impact of the Statement on the financial statements.

The GASB issued Statement No. 99, *Omnibus 2022* in April 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 certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for periods beginning after June 15, 2022. Management has implemented the Statement on the financial statements.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Recently Issued and Adopted Accounting Principles (Continued)

The GASB issued Statement No. 101, *Compensated Absences* in June 2022. 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. The requirements of this Statement are effective for periods beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has not determined the impact of the Statement on the financial statements.

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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 and proprietary activities. 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 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 funds which are organized to be self-supporting through user charges:

The *regional cooperative program fund* (Region III) accounts for the Districts services to various districts for students who have special needs with a comprehensive educational program.

The *regional transportation fund* accounts for the Districts transportation services for the special education students received from various districts.

The *regional special education fund* (Valley Program and TIP Program) accounts for the Districts services for children three to eighteen years old with inclusion resources (Valley Program) and services for self-contained special education program (TIP Program).

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

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

The *teens and tots fund* accounts for the activities of the District's preschool program with an opportunity for teenagers to learn by experience.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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 (continued)

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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 and acquisitions under capital leases are reported as other financing sources.

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (continued)

to be measurable and available only when cash is received by the District.

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

Food Service Fund inventories 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.

4. *Restricted Assets*

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and/or their use is limited by state or county regulations for capital projects and/or Lease-Purchase Agreements for capital projects.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 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. *Capital Assets*

Capital assets, which include property, plant and equipment, construction in progress and right to use assets 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. 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 and right to use assets of the District are depreciated/amortized using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	15-50
Machinery and Equipment	5-15
Right to Use Assets	4-5

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)**

6. 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category, 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.

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

7. 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.

8. 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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred inflows of resources or deferred outflows of resources. Bond premiums and discounts 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 or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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 while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Leases

The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset ("lease asset") in the government-wide financial statements.

At commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease is amortized on a straight-line basis over its useful life. Key estimates and judgements related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that the District is reasonably certain to exercise. The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability 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.

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)

11. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

Excess Surplus – Current Year – This represents excess surplus created from the 2022/2023 fiscal year that will be appropriated for tax relief in the 2024/2025 fiscal year budget.

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)

11. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (continued)

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

Debt Service – Represents fund balance restricted for the repayment of long-term debt principal and interest in the Debt Service Fund.

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)

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

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

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

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

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

Designated for Subsequent Year's Expenditures – This represents the portion of fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)**

12. 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 government 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 government's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the government 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 government 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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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 regional Co-op program enterprise fund, of the regional transportation enterprise fund, of the regional special education enterprise fund, of the teens and tots enterprise fund and of the food service enterprise fund, 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.

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. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 13, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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 by \$5,656,810. The increase was funded by the additional grant awards, appropriation of prior year unbudgeted state aid, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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 Regional Special Education Enterprise Fund has a cumulative deficit in net position of \$2,233,467 as of June 30, 2023. The deficit is due to the District's accrual of the long-term liability associated with the fund's proportionate share of the District's total PERS net pension liability and related deferred outflow and inflow of resources as required under GASB Statement No. 68. The deficit alone does not indicate that the Regional Special Education operations are facing financial difficulties. The net position excluding the pension related items is \$4,806,924.

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (continued)

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

Balance, July 1, 2022		\$ 8,905,053
Increased by		
Interest Earnings	\$ 136,308	
Deposits from Unexpended Capital Projects	463,830	
Deposits Approved by Board Resolution	<u>1,000,000</u>	
Total Increases		<u>1,600,138</u>
		10,505,191
Withdrawals		
Approved in District Budget		<u>1,647,100</u>
Balance, June 30, 2023		<u><u>\$ 8,858,091</u></u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long-Range Facilities Plan. \$1,823,288 of the capital reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes. At June 30, 2023, the amount deposited in the capital reserve account does not exceed the District’s share reported in its Long-Range Facility Plan.

D. Maintenance Reserve

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

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

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

Balance, July 1, 2022	\$ 400,000
Increased by	
Interest Earnings	<u>4,758</u>
Balance, June 30, 2023	<u><u>\$ 404,758</u></u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,965,916.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. 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 \$179,228. Of this amount, \$0 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$179,228 will be appropriated in the 2024/2025 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

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 were \$19,053,280 and bank and brokerage firm balances of the Board's deposits amounted to \$23,258,006. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account	
Insured	<u>\$ 23,258,006</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 none of the Board's bank balances were exposed to custodial credit risk.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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

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

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

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 – 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 and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Special Revenue	Regional Coop Prgm	Regional Transportation	Regional Special Ed	Food Service	Teens and Tots	Total
Receivables:								
Intergovernmental- Federal		\$ 388,270						\$ 388,270
State	\$ 1,107,836	2,076	\$ 2,769		\$ 19,797		\$ 618	1,133,096
Other	224,594	20,000	27,075	\$ 906,404	676,806	\$ 5,701		1,860,580
Gross Receivables	1,332,430	410,346	29,844	906,404	696,603	5,701	618	3,381,946
Less: Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Net Total Receivables	\$ 1,332,430	\$ 410,346	\$ 29,844	\$ 906,404	\$ 696,603	\$ 5,701	\$ 618	\$ 3,381,946

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

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

General Fund		
Unrealized Revenue	\$	7,837
Special Revenue Fund		
Unencumbered Grant Draw Downs		<u>29,703</u>
Total Unearned Revenue for Governmental Funds	\$	<u><u>37,540</u></u>

D. Capital Assets

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

	<u>Balance,</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance,</u> <u>June 30, 2023</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,804,632			\$ 2,804,632
Construction in Progress	<u>1,221,173</u>	\$ 102,279	\$ (1,221,173)	<u>102,279</u>
Total Capital Assets, Not Being Depreciated	<u>4,025,805</u>	<u>102,279</u>	<u>(1,221,173)</u>	<u>2,906,911</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings and Building Improvements	34,630,687	1,388,549	1,221,173	37,240,409
Land Improvements	12,469,124	292,371		12,761,495
Machinery and Equipment	3,551,199	186,585	(34,750)	3,703,034
Right to Use Assets - Equipment	<u>1,219,827</u>	<u>-</u>	<u>-</u>	<u>1,219,827</u>
Total Capital Assets Being Depreciated/Amortized	<u>51,870,837</u>	<u>1,867,505</u>	<u>1,186,423</u>	<u>54,924,765</u>
Less Accumulated Depreciation/Amortization for:				
Buildings and Building Improvements	(18,020,848)	(985,677)		(19,006,525)
Land Improvements	(7,055,249)	(461,383)		(7,516,632)
Machinery and Equipment	(2,767,441)	(201,861)	34,750	(2,934,552)
Right to Use Assets - Equipment	<u>(515,878)</u>	<u>(80,300)</u>	<u>-</u>	<u>(596,178)</u>
Total Accumulated Depreciation/Amortization	<u>(28,359,416)</u>	<u>(1,729,221)</u>	<u>34,750</u>	<u>(30,053,887)</u>
Total Capital Assets, Being Depreciated/Amortized, Net	<u>23,511,421</u>	<u>138,284</u>	<u>1,221,173</u>	<u>24,870,878</u>
Governmental Activities Capital Assets, Net	<u>\$ 27,537,226</u>	<u>\$ 240,563</u>	<u>\$ -</u>	<u>\$ 27,777,789</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	\$ 117,241	\$ 303,393		\$ 420,634
Land Improvements	198,034	-		198,034
Machinery and Equipment	536,952	62,570	\$ (4,200)	595,322
Total Capital Assets Being Depreciated	<u>852,227</u>	<u>365,963</u>	<u>(4,200)</u>	<u>1,213,990</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(7,193)	(10,939)		(18,132)
Land Improvements	(11,189)	(10,742)		(21,931)
Machinery and Equipment	(422,908)	(22,693)	4,200	(441,401)
Total Accumulated Depreciation	<u>(441,290)</u>	<u>(44,374)</u>	<u>4,200</u>	<u>(481,464)</u>
Total Capital Assets, Being Depreciated, Net	<u>410,937</u>	<u>321,589</u>	<u>-</u>	<u>732,526</u>
Business-Type Activities Capital Assets, Net	<u>\$ 410,937</u>	<u>\$ 321,589</u>	<u>\$ -</u>	<u>\$ 732,526</u>
Depreciation/amortization expense was charged to functions/programs of the District as follows:				
Governmental Activities:				
Instruction				
Regular				\$ <u>76,727</u>
Total Instruction				<u>76,727</u>
Support Services				
Support Services-Students				156,039
School Administrative Services				3,442
Operations and Maintenance of Plant				1,491,143
Business and Other Support Services				<u>1,870</u>
Total Support Services				<u>1,652,494</u>
Total Depreciation/Amortization Expense - Governmental Activities				<u>\$ 1,729,221</u>
Business-Type Activities:				
Regional Special Ed				\$ 34,245
Regional Coop Prgm				-
Food Service Fund				<u>10,129</u>
Total Depreciation Expense-Business-Type Activities				<u>\$ 44,374</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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>
Window Project	\$ 390,555
Paving Project	214,545
29 Passenger Bus Roof Project	102,783
	<u>538,766</u>
	<u>\$ 1,246,649</u>

E. Interfund Receivables and Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 242,765
General Fund	Regional Coop. Fund	2,769
General Fund	Regional Special Ed. Fund	19,797
General Fund	Teens and Tots Fund	618
Regional Special Ed. Fund	Regional Transportation Fund	<u>700,053</u>
Total		<u>\$ 966,002</u>

Due To/From Other Funds

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Financed Purchases Payable

The District is leasing a building based on a conduit financing agreement with the Bergen County Improvement Authority in the amount of \$4,365,000. The lease is for a term of 13 years.

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

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 300,000	\$ 152,200	\$ 452,200
2025	315,000	137,200	452,200
2026	330,000	121,450	451,450
2027	345,000	104,950	449,950
2028	365,000	87,700	452,700
2029-2032	<u>1,640,000</u>	<u>171,250</u>	<u>1,811,250</u>
	<u>\$ 3,295,000</u>	<u>\$ 774,750</u>	<u>\$ 4,069,750</u>

Leases Payable

The District has remaining leases payable totaling \$623,649 with an interest rate of 1.0823%. The terms of the leases are from four to five years. The following is a schedule of the future minimum lease payments at June 30, 2023:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 522,331	\$ 6,750	\$ 529,081
2025	86,822	1,097	89,944
2026	<u>14,496</u>	<u>157</u>	<u>16,679</u>
	<u>\$ 623,649</u>	<u>\$ 8,004</u>	<u>\$ 635,704</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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

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 or other purposes permitted by statute. The bonds are direct obligations of the District and 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:

\$2,290,000, 2009 School Bonds, due in annual installments of \$265,000 to \$275,00 through August 1, 2024, interest at 4.00%	\$ 540,000
\$11,707,000, 2016 School Bonds, due in annual installments of \$807,000 to \$1,000,000 through August 1, 2031, interest at 2.00% to 2.50%	<u>8,557,000</u>
Total	<u>\$9,097,000</u>

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

Governmental Activities:

Fiscal Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2024	\$ 1,265,000	\$ 181,475	\$ 1,446,475
2025	1,275,000	150,675	1,425,675
2026	1,000,000	125,175	1,125,175
2027	1,000,000	105,175	1,105,175
2028	1,000,000	85,175	1,085,175
2029-2032	<u>3,557,000</u>	<u>150,113</u>	<u>3,707,113</u>
	<u>\$ 9,097,000</u>	<u>\$ 797,788</u>	<u>\$ 9,894,788</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:

3% of Equalized Valuation Basis (Municipal)	\$ 312,788,835
Less: Net Debt	<u>9,096,999</u>
Remaining Borrowing Power	<u>\$ 303,691,836</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2023</u>	Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 10,352,000	\$ -	\$ 1,255,000	\$ 9,097,000	\$ 1,265,000
Total Bonds Payable	<u>10,352,000</u>	<u>-</u>	<u>1,255,000</u>	<u>9,097,000</u>	<u>1,265,000</u>
Net Pension Liability	<u>9,096,660</u>	<u>2,189,532</u>	<u>-</u>	<u>11,286,192</u>	<u>-</u>
Financed Purchases Payable	3,580,000		285,000	3,295,000	300,000
Add: Premium	536,211	-	97,704	438,507	88,927
Leases Payable	<u>703,949</u>	<u>-</u>	<u>80,300</u>	<u>623,649</u>	<u>522,331</u>
Total Leases Payable	<u>4,820,160</u>	<u>-</u>	<u>463,004</u>	<u>4,357,156</u>	<u>911,258</u>
Compensated Absences	<u>1,763,758</u>	<u>-</u>	<u>570,298</u>	<u>1,193,460</u>	<u>119,346</u>
Governmental Activity Long-Term Liabilities	<u>\$ 26,032,578</u>	<u>\$ 2,189,532</u>	<u>\$ 2,288,302</u>	<u>\$ 25,933,808</u>	<u>\$ 2,295,604</u>
Business-Type Activities:					
Net Pension Liability	\$ 5,451,977	\$ 808,772		\$ 6,260,749	
Compensated Absences	<u>210,050</u>	<u>-</u>	<u>\$ 42,133</u>	<u>167,917</u>	<u>\$ 16,792</u>
Business-Type Activity Long-Term Liabilities	<u>\$ 5,662,027</u>	<u>\$ 808,772</u>	<u>\$ 42,133</u>	<u>\$ 6,428,666</u>	<u>\$ 16,792</u>

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 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 commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual 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 various types of insurance.

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 Group 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.

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

Fiscal Year Ended <u>June 30,</u>	Balance <u>July 1,</u>	Interest <u>Earnings</u>	Balance <u>June 30</u>
2023	\$ 47,285	\$ 4,665	\$ 51,950
2022	47,142	143	47,285
2021	47,083	59	47,142

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

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.

D. Employee Retirement Systems and Pension Plans

Description of Systems

Substantially all of the District's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer plan.

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (continued)

above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school Board or public agency provided the employee is not a member of another State-administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Employee contribution rates for TPAF and PERS are 7.5% of employees' annual pensionable compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

During the year ended June 30, 2023, the State of New Jersey contributed \$16,289,850 to the TPAF for on-behalf medical, non-contributory insurance and pension and post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$2,601,260 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries.

The District's actuarially determined contributions to PERS for each of the years ended June 30, 2023, 2022 and 2021 were \$1,506,683, \$1,438,243, and \$1,357,211, respectively.

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 PERS and

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)

Funding Policy (continued)

additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For the 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.

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

Public Employees' Retirement System (PERS)

At June 30, 2023, the District reported a liability of \$17,546,941 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2022, the District's proportion was 0.1162713056 percent, which was a decrease of 0.0065382815 from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized full accrual pension (benefit) of (\$2,063,685) in the government-wide financial statements. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 126,646	\$ 111,684
Changes of assumptions	54,366	2,627,472
Net difference between projected and actual earnings on pension plan investments	726,252	
Changes in proportion		2,455,484
District contributions subsequent to the measurement date	1,506,683	
	<u>\$ 2,413,947</u>	<u>\$ 5,194,640</u>
Governmental Activities	\$ 1,552,651	\$ 3,341,192
Business-Type Activities	861,296	1,853,448
	<u>\$ 2,413,947</u>	<u>\$ 5,194,640</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)

\$1,506,683 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ (2,540,549)
2025	(1,575,995)
2026	(769,807)
2027	610,172
2028	(11,197)
	<u>\$ (4,287,376)</u>

Actuarial Assumptions

The total collective 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:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.75 - 6.55%
	based on years of service
Investment rate of return	7.00%

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. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)

Long-Term Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Discount rate

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 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)

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 22,542,679	\$ 17,546,941	\$ 13,295,367

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees Retirement System.

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

Deferred outflows of resources	\$ 1,660,772,008
Deferred inflows of resources	\$ 3,236,303,935
Net pension liability	\$ 15,219,184,920
District's Proportion	0.1162713056%

Collective pension (benefit) for the Local Group for the measurement period ended June 30, 2022 is \$(1,032,778,934).

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at June 30, 2022, 2021, 2020, 2019, 2018, 2017 and 2016 is 5.04, 5.13, 5.16, 5.21, 5.63, 5.48, and 5.57 years, respectively.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers Pensions and Annuity Fund (TPAF) – Special Funding Situation

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

The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2023 was \$161,558,482. The District's proportionate share was \$0. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State's proportionate share of the TPAF net pension liability associated with the District was 0.3131317211 percent, which was an increase of 0.0085627804 from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized on-behalf pension expense and revenue in the district-wide financial statements of \$7,739,483 for contributions incurred by the State.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 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)

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. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.75 - 5.65%
	Based on years of service
Investment Rate of Return	7.00%

Mortality Rates

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

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

Long-Term Expected Rate of Return

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made 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 the State's proportionate share of the net pension liability associated with the District to changes in the discount rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District 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:

	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
State's proportionate share of the net pension liability associated with the District	\$ 189,430,753	\$ 161,558,482	\$ 138,079,596

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 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 plan fiduciary net position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

Deferred outflows of resources	\$ 4,996,491,160
Deferred inflows of resources	\$ 19,532,696,776
Net pension liability	\$ 51,594,415,806

State's proportionate share associated with the District	0.3131317211%
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Collective pension expense of the Local Group for the plan for the measurement period ended June 30, 2022 is \$1,424,884,581.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at June 30, 2022, 2021, 2020, 2019, 2018, 2017 and 2016 is 7.83, 7.93, 8.04, 8.29, 8.30, 8.30 and 8.30 years, respectively.

E. Post-Retirement Benefits

State Health Benefit State Retired Employees Plan

Plan description and benefits provided

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan is administered on a “pay-as-you-go” basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as “the employers”) for which the State is legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Benefits (Continued)

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 52:14-17.26 provides that for purposes of the State Retired OPEB Plan, an employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed to be an employee of the State. Further, P.L.1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan is administered on a "pay-as-you-go" basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: TPAF, PERS, PFRS, or ABP.

Pursuant to P.L.2011, c.78, future retirees eligible for postemployment 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 is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. The State, as a nonemployer contributing entity, reported a Fiscal Year 2022 total OPEB liability of \$50,646,462,966 for this special funding situation.

The State's contributions to the SHBP Fund for TPAF retirees' post-retirement medical benefits on behalf of the District for the years ended June 30, 2023, 2022 and 2021 were \$3,388,367, \$3,054,247, and \$2,827,323, respectively, which equaled the required contributions for each year.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Benefits (Continued)

In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments.

Additional information on Pensions and OPEB can be accessed at state.nj.us/treasury/pensions/financial-reports.shtml.

Total OPEB Liability

Changes in Total OPEB Liability

Below represents the changes in the District's total OPEB liability for the year ended June 30, 2022:

Beginning Total OPEB Liability June 30, 2021		\$ 138,683,648
Increased by:		
Service cost	\$ 6,826,694	
Interest cost	3,109,412	
Diff. between expected and actual exp.	3,168,037	
Member contributions	<u>98,807</u>	
		<u>13,202,950</u>
		151,886,598
Decreased by:		
Changes of assumptions	31,475,208	
Gross benefit payments	<u>3,079,964</u>	
		<u>(34,555,172)</u>
Ending Total OPEB Liability June 30, 2022		<u>\$ 117,331,426</u>

Employees covered by benefit terms

The following employees were covered by the benefit terms:

<u>Local Education</u>	<u>June 30, 2022</u>
Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	<u>-</u>
Total Plan Members	<u><u>364,817</u></u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Benefits (Continued)

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective OPEB liability on the Statement of Net Position. The State's proportionate share of the OPEB liability associated with the District as of June 30, 2022 was \$117,331,426. Additional information can be obtained from the State of New Jersey's annual comprehensive financial report.

Actuarial assumptions and other inputs

The total nonemployer OPEB liability in the June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022 and included in the June 30, 2022 audited financial statements of the State Health Benefit Local Education Retired Employees Plan. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate 2.50%

	<u>TPA/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:	2.75 - 4.25%	2.75 - 6.55%	3.25 - 16.25%
	based on years of service	based on years of service	based on years of service

Mortality Rates

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP) 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.

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Benefits (Continued)

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.

Health Care Trend Assumptions

For pre-65 Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2023 are reflected. For PPO the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% after 10 years. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% after 11 years. For prescription drug benefits, the initial trend rate is 8.0% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

The following represents sensitivity of total non-employer OPEB liability to changes in the discount rate and health care cost rate

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2022 calculated using a discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower (1.54 %) or 1-percentage-point higher (3.54%) than the current rate:

	1% Decrease (2.54%)	At Current Discount Rate (3.54%)	1% Increase (4.54%)
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 137,910,749	\$ 117,331,426	\$ 100,838,127

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Benefits (Continued)

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2022 calculated using a healthcare cost trend rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 96,981,595	\$ 117,331,426	\$144,062,164

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

For the year ended June 30, 2023, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$4,862,746 for OPEB expenses incurred by the State.

Collective balances of the Local Education Group at June 30, 2022 are as follows:

Deferred outflows of resources	\$ 20,104,625,333
Deferred inflows of resources	\$ 34,996,842,046
Collective OPEB expense	\$ 1,595,653,562

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State, therefore, the District records an expense and corresponding revenue for its respective share of total OPEB expense and revenue attributable to the State of New Jersey

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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 Northern Valley Regional High School District, the District's share of abated taxes resulting from the seven (7) municipalities having entered into a tax abatement agreement is indeterminate.

G. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and November 21, 2023, the date that the financial statements were available for issuance.

Required Supplementary Information – Part II

Pension and OPEB Schedules

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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 Pension Liability (Asset)	0.11627 %	0.12281 %	0.12407 %	0.13646 %	0.13866 %	0.13893 %	0.13114 %	0.13065 %	0.12026 %	0.12681 %
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 17,546,941</u>	<u>\$ 14,548,637</u>	<u>\$ 20,231,764</u>	<u>\$ 24,589,711</u>	<u>\$ 27,303,046</u>	<u>\$ 32,342,692</u>	<u>\$ 38,838,939</u>	<u>\$ 29,329,571</u>	<u>\$ 22,517,299</u>	<u>\$ 24,236,483</u>
District's Covered Payroll	<u>\$ 8,113,385</u>	<u>\$ 8,463,710</u>	<u>\$ 8,753,603</u>	<u>\$ 8,927,927</u>	<u>\$ 9,428,719</u>	<u>\$ 9,207,855</u>	<u>\$ 9,053,528</u>	<u>\$ 8,820,274</u>	<u>\$ 8,698,012</u>	<u>\$ 8,331,976</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	216.27%	171.89%	231.12%	275.42%	289.57%	351.25%	428.99%	332.52%	258.88%	290.89%
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.

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees' Retirement System

Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,506,683	\$ 1,466,237	\$ 1,357,211	\$ 1,327,445	\$ 1,379,299	\$ 1,287,118	\$ 1,165,000	\$ 1,123,288	\$ 991,465	\$ 1,063,968
Contributions in Relation to the Contractually Required Contribution	<u>1,506,683</u>	<u>1,466,237</u>	<u>1,357,211</u>	<u>1,327,445</u>	<u>1,379,299</u>	<u>1,287,118</u>	<u>1,165,000</u>	<u>1,123,288</u>	<u>991,465</u>	<u>1,063,968</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 8,086,120</u>	<u>\$ 8,113,385</u>	<u>\$ 8,463,710</u>	<u>\$ 8,753,603</u>	<u>\$ 8,927,927</u>	<u>\$ 9,428,719</u>	<u>\$ 9,207,855</u>	<u>\$ 9,053,528</u>	<u>\$ 8,820,274</u>	<u>\$ 8,698,012</u>
Contributions as a Percentage of Covered Payroll	18.63%	18.07%	16.04%	15.16%	15.45%	13.65%	12.65%	12.41%	11.24%	12.23%

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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 Pension Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 161,558,482</u>	<u>\$ 146,422,093</u>	<u>\$ 210,521,996</u>	<u>\$ 196,648,125</u>	<u>\$ 192,758,538</u>	<u>\$ 201,709,593</u>	<u>\$ 229,882,009</u>	<u>\$ 177,469,574</u>	<u>\$ 155,072,298</u>	<u>\$ 140,923,005</u>
Total	<u>\$ 161,558,482</u>	<u>\$ 146,422,093</u>	<u>\$ 210,521,996</u>	<u>\$ 196,648,125</u>	<u>\$ 192,758,538</u>	<u>\$ 201,709,593</u>	<u>\$ 229,882,009</u>	<u>\$ 177,469,574</u>	<u>\$ 155,072,298</u>	<u>\$ 140,923,005</u>
District's Covered Payroll	<u>\$ 36,253,828</u>	<u>\$ 35,794,779</u>	<u>\$ 35,112,703</u>	<u>\$ 33,579,088</u>	<u>\$ 34,006,335</u>	<u>\$ 32,968,540</u>	<u>\$ 31,124,171</u>	<u>\$ 30,464,167</u>	<u>\$ 28,604,258</u>	<u>\$ 28,131,131</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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

Changes of Benefit Terms: None.

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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	\$ 6,826,694	\$ 7,886,178	\$ 4,585,889	\$ 4,768,114	\$ 5,193,810	\$ 6,325,826
Interest on Total OPEB Liability	3,109,412	3,597,600	3,483,507	4,137,674	4,376,352	3,736,263
Differences Between Expected and Actual Experience	3,168,037	(26,773,486)	26,419,598	(14,787,906)	(9,818,763)	-
Changes of Assumptions	(31,475,208)	136,822	28,628,468	1,435,161	(11,885,001)	(15,639,149)
Gross Benefit Payments	(3,079,964)	(2,833,901)	(2,728,472)	(2,954,722)	(2,769,384)	(3,313,756)
Changes of Benefit Terms	-	(147,612)	-	-	-	-
Contribution from the Member	<u>98,807</u>	<u>91,973</u>	<u>82,700</u>	<u>87,586</u>	<u>95,714</u>	<u>122,021</u>
Net Change in Total OPEB Liability	(21,352,222)	(18,042,426)	60,471,690	(7,314,093)	(14,807,272)	(8,768,795)
Total OPEB Liability - Beginning	<u>138,683,648</u>	<u>156,726,074</u>	<u>96,254,384</u>	<u>103,568,477</u>	<u>118,375,749</u>	<u>127,144,544</u>
Total OPEB Liability - Ending	<u>\$ 117,331,426</u>	<u>\$ 138,683,648</u>	<u>\$ 156,726,074</u>	<u>\$ 96,254,384</u>	<u>\$ 103,568,477</u>	<u>\$ 118,375,749</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>117,331,426</u>	<u>138,683,648</u>	<u>156,726,074</u>	<u>96,254,384</u>	<u>103,568,477</u>	<u>118,375,749</u>
Total OPEB Liability - Ending	<u>\$ 117,331,426</u>	<u>\$ 138,683,648</u>	<u>\$ 156,726,074</u>	<u>\$ 96,254,384</u>	<u>\$ 103,568,477</u>	<u>\$ 118,375,749</u>
District's Covered Payroll	<u>\$ 44,367,213</u>	<u>\$ 44,258,489</u>	<u>\$ 43,866,306</u>	<u>\$ 42,507,015</u>	<u>\$ 43,435,054</u>	<u>\$ 42,176,395</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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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.

Required Supplementary Information – Part III

Budgetary Comparison Schedules

Northern Valley Regional High School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Revenues					
Local sources:					
Local tax levy	\$ 57,259,621		\$ 57,259,621	\$ 57,259,621	
Tuition from Individuals	259,390		259,390	477,789	\$ 218,399
Tuition from Other LEAs within the State	1,785,114		1,785,114	1,725,926	(59,188)
Tuition from Summer School	11,135		11,135	5,462	(5,673)
Rents and royalties	487,450		487,450	519,727	32,277
Interest Income	100,000		100,000	239,806	139,806
Interest Earned on Capital Reserve Funds	10,000		10,000	136,308	126,308
Interest Earned on Maintenance Reserve Funds				4,758	4,758
Other Restricted Miscellaneous Revenues				4,665	4,665
Miscellaneous	290,831		290,831	622,490	331,659
Total revenues - local sources	60,203,541	-	60,203,541	60,996,552	793,011
State sources:					
Categorical Special Education Aid	2,011,057		2,011,057	2,011,057	
Categorical Transportation Aid	307,800		307,800	307,800	
Extraordinary Aid	481,273		481,273	980,107	498,834
Categorical Security Aid	42,643		42,643	42,643	
Additional non public transportation aid	14,578		14,578	23,876	9,298
School Security Grant				129,546	129,546
On-behalf TPAF pension contributions (non-budgeted)				10,544,451	10,544,451
On-behalf TPAF Post-Retirement Medical contributions (non-budgeted)				2,770,002	2,770,002
On-behalf TPAF Long- Term Disability Insurance contributions (non-budgeted)				2,556	2,556
Reimbursed TPAF social security contributions (non-budgeted)				2,081,532	2,081,532
Total - state sources	2,857,351	-	2,857,351	18,893,570	16,036,219
Federal sources:					
Medicaid reimbursement	22,251	-	22,251	23,885	1,634
FEMA Revenue				53,106	53,106
Total Federal sources	22,251	-	22,251	76,991	54,740
Total revenues	63,083,143	-	63,083,143	79,967,113	16,883,970
Expenditures					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Grades 9-12	19,724,113	\$ (122,699)	19,601,414	19,598,882	2,532
Home instruction - regular programs:					
Salaries of teachers	38,825	(28,102)	10,723	10,723	
Purchased professional-educational services	27,353	(12,870)	14,483	12,692	1,791
Undistributed instruction - regular programs:					
Purchased professional-educational services	22,480	(3,900)	18,580	18,580	
Purchased Technical Services	811,467	(72,509)	738,958	737,887	1,071
Other purchased services	604,607	(494,536)	110,071	110,071	
General supplies	498,169	1,146,684	1,644,853	1,630,864	13,989
Textbooks	114,465	(77,846)	36,619	36,495	124
Miscellaneous Expenditures	22,065	(5,017)	17,048	15,654	1,394
Total instruction - regular programs	21,863,544	329,205	22,192,749	22,171,848	20,901

Northern Valley Regional High School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Cognitive-mild:					
Salaries of teachers	\$ 307,736	\$ (54,748)	\$ 252,988	\$ 250,849	\$ 2,139
Other salaries for instruction	112,132	(455)	111,677	104,276	7,401
Other purchased services	777		777		777
General supplies	1,223	(1,028)	195	195	
Total cognitive-mild	421,868	(56,231)	365,637	355,320	10,317
Cognitive-moderate:					
Salaries of teachers	104,748	(11,246)	93,502	93,502	
Other salaries for instruction	77,506	(25,455)	52,051	49,931	2,120
Other purchased services	464		464		464
General supplies	3,676	(3,676)			
Total cognitive-moderate	186,394	(40,377)	146,017	143,433	2,584
Visual Impairments:					
Other salaries for instruction	32,782	6,750	39,532	39,532	
General supplies	697	(697)			
Total Visual Impairments	33,479	6,053	39,532	39,532	-
Emotional Regulation - Impairment:					
Salaries of teachers	389,408	(50,000)	339,408	336,234	3,174
Other salaries for instruction	115,940	1,292	117,232	115,370	1,862
Other purchased services	625	(625)			
General supplies	5,000	(4,378)	622	259	363
Total emotional regulation - impairment	510,973	(53,711)	457,262	451,863	5,399
Multiple disabilities:					
Salaries of teachers	476,945	(211,362)	265,583	240,797	24,786
Other salaries for instruction	143,149	(24,511)	118,638	91,722	26,916
Purchased professional-educational services	395,695	(59,075)	336,620	336,620	
Other purchased services	22,660	3,100	25,760	23,931	1,829
Other Purch. Services	4,424	5,440	9,864	9,369	495
General supplies	16,000	(4,891)	11,109	9,681	1,428
Total multiple disabilities	1,058,873	(291,299)	767,574	712,120	55,454
Resource room/center:					
Salaries of teachers	2,044,244	(69,108)	1,975,136	1,972,321	2,815
Other salaries for instruction	16,715	82,465	99,180	97,122	2,058
General supplies	6,000	(5,568)	432		432
Total resource room/center	2,066,959	7,789	2,074,748	2,069,443	5,305
Home Instruction:					
Salaries of teachers	20,000	13,090	33,090	33,055	35
Purchased professional-educational services	58,160	(41,763)	16,397	10,523	5,874
Total Home Instruction	78,160	(28,673)	49,487	43,578	5,909
Cognitive-Severe:					
Salaries of teachers	144,802	16,008	160,810	158,308	2,502
Other salaries for instruction	54,387	1,100	55,487	54,000	1,487
Other Purchased services	464	(464)			
General supplies	3,736	(3,736)			
Total Cognitive -Severe	203,389	12,908	216,297	212,308	3,989
Total special education	4,560,095	(443,541)	4,116,554	4,027,597	88,957

Northern Valley Regional High School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Bilingual education - instruction:					
Salaries of teachers	\$ 120,210	\$ 23,790	\$ 144,000	\$ 143,999	\$ 1
Total bilingual education - instruction	120,210	23,790	144,000	143,999	1
School - sponsored cocurricular activities:					
Salaries	578,146		578,146	523,357	54,789
Purchased services	29,600	(15,800)	13,800	13,800	
Supplies and Materials	13,200	1,011	14,211	14,211	
Other Objects	24,500	591	25,091	25,091	
Total school spn. cocurricular activities	645,446	(14,198)	631,248	576,459	54,789
School - sponsored athletics - instruction:					
Salaries	1,607,482	(10,568)	1,596,914	1,582,153	14,761
Purchased services	27,200	13,275	40,475	39,866	609
Supplies and materials	165,849	1,984	167,833	160,751	7,082
Other objects	58,047	(30,469)	27,578	26,928	650
Transfers to Cover Deficit (Custodial Funds)	165,000		165,000	157,533	7,467
Total school - sponsored athletics - instruction	2,023,578	(25,778)	1,997,800	1,967,231	30,569
Total instruction	29,212,873	(130,522)	29,082,351	28,887,134	195,217
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs w/in the state - special	1,030,721	(353,626)	677,095	677,094	1
Tuition to County Vocational School District-reg	1,601,170	(147,933)	1,453,237	1,453,237	
Tuition to County Vocational School District-special	294,958	90,789	385,747	385,747	
Tuition to county special services-school districts & regional day schools	220,005	115,595	335,600	335,600	
Tuition to private schools- disabled w/in State	2,175,919	227,191	2,403,110	2,403,110	
Total Undistributed Expenditures-instruction	5,322,773	(67,984)	5,254,789	5,254,788	1

Northern Valley Regional High School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Attendance and social work services:					
Salaries	\$ 67,003	\$ (5,000)	\$ 62,003	\$ 62,003	-
Total attendance and social work services	67,003	(5,000)	62,003	62,003	-
Health services:					
Salaries	234,568	32,092	266,660	266,660	
Purchased professional and technical services	65,350	(6,891)	58,459	55,881	\$ 2,578
Other purchased services	1,300	(1,253)	47	47	
Supplies and Materials	14,200	40,538	54,738	54,708	30
Other objects	343	(229)	114	114	
Total health services	315,761	64,257	380,018	377,410	2,608
Speech, OT, PT, and related services related services:					
Salaries	82,452	(4,413)	78,039	78,039	
Purchased professional educational services	127,968	(67,357)	60,611	60,216	395
Total Speech, OT, PT, and related services	210,420	(71,770)	138,650	138,255	395
Other support services - students - extra services:					
Salaries	209,204	(117,670)	91,534	91,459	75
Purchased professional educational services	555,171	44,176	599,347	598,847	500
Total other support services - students - extra services	764,375	(73,494)	690,881	690,306	575
Guidance:					
Salaries of other professional staff	2,280,385	10,762	2,291,147	2,291,147	
Salaries of secretarial and clerical assistants	521,696	(3,400)	518,296	518,296	
Supplies and Materials	20,000	(3,233)	16,767	16,767	
Other objects	10,240	(9,333)	907	400	507
Total guidance	2,832,321	(5,204)	2,827,117	2,826,610	507
Child Study Team:					
Salaries of other professional staff	959,659	285,930	1,245,589	1,245,589	
Salaries of secretarial and clerical assistants	169,735	7,148	176,883	176,883	
Purchased professional - educational services	222,933	(7,218)	215,715	215,715	
Other purchased services	540	(540)			
Supplies and Materials	16,500	(9,820)	6,680	6,680	
Other objects	2,355	(1,855)	500	500	
Total child study team	1,371,722	273,645	1,645,367	1,645,367	-

Northern Valley Regional High School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Improvement of instructional services:					
Salaries of supervisors of instruction	\$ 1,399,519	\$ (44,058)	\$ 1,355,461	\$ 1,355,461	-
Purchased professional - educational services	186,555		186,555	186,555	
Supplies and materials	9,364	(8,257)	1,107	1,107	
Other objects	17,595	(12,540)	5,055	5,055	
Total improvement of instructional services	1,613,033	(64,855)	1,548,178	1,548,178	-
Educational media services/school library:					
Salaries	276,852	(7,615)	269,237	269,237	
Salaries of Technology Coordinators	244,399	(4,922)	239,477	239,477	
Supplies and materials	114,550	(35,364)	79,186	79,186	
Other objects	1,902	(1,275)	627	627	
Total educational media services/school library	637,703	(49,176)	588,527	588,527	-
Instructional staff training services:					
Purchased professional - educational services	2,500	(2,500)			
Travel	125,204	(89,049)	36,155	28,969	\$ 7,186
Total instructional staff training services	127,704	(91,549)	36,155	28,969	7,186
Support services-general administration:					
Salaries	613,385	(9,707)	603,678	603,678	
Legal services	120,500	32,450	152,950	152,000	950
Audit fees	52,020	1,452	53,472	50,756	2,716
Other purchased professional services	21,045	(19,491)	1,554	1,554	
Purchased technical services	5,900		5,900	5,900	
Communications/telephone	154,700	(2,784)	151,916	100,309	51,607
Travel	-	-	-	-	-
BOE Other purchased services	5,000	(2,582)	2,418	2,258	160
Misc Purch Services	354,564	(22,555)	332,009	329,699	2,310
General supplies	10,000	3,640	13,640	12,079	1,561
Judmnts against school district		2,000	2,000	2,000	
Miscellaneous expenditures	43,687	(1,536)	42,151	39,809	2,342
Total support services-general administration	1,380,801	(19,113)	1,361,688	1,300,042	61,646

Northern Valley Regional High School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Support services-school administration:					
Salaries of Principals/assistant principals	\$ 1,096,820		\$ 1,096,820	\$ 1,096,817	\$ 3
Salaries of other prof staff	429,922	\$ (25,000)	404,922	404,811	111
Salaries of secretarial and clerical assistants	556,962	(11,700)	545,262	543,883	1,379
Other purchased services	36,075	(7,964)	28,111	27,804	307
Supplies and Materials	17,475	(1,554)	15,921	14,500	1,421
Other objects	6,010	(5,110)	900	900	
Total support services-school administration	2,143,264	(51,328)	2,091,936	2,088,715	3,221
Central services:					
Salaries	538,048	(1,556)	536,492	530,578	5,914
Purchased professional services	2,384	2,416	4,800	4,100	700
Public Relations Cost		10,000	10,000	10,000	
Purchased Tech. Services	47,883	(17,416)	30,467	19,615	10,852
Misc. purchased services	8,500	1,500	10,000	8,748	1,252
Supplies and materials	16,000		16,000	15,942	58
Interest on Lease purchase agreements	166,450		166,450	166,450	
Misc. Expenditures	8,000	(1,500)	6,500	5,918	582
Total Central Services	787,265	(6,556)	780,709	761,351	19,358
Administrative information technology:					
Salaries	267,789	(64,990)	202,799	201,794	1,005
Purchased technical services	24,000	1,261	25,261	19,261	6,000
Supplies and Materials	42,200	(20,915)	21,285	6,589	14,696
Total Admin Information Technology	333,989	(84,644)	249,345	227,644	21,701
Required maintenance for school facilities:					
Salaries	309,619	2	309,621	309,621	
Cleaning, repair and maintenance services	285,140	173,388	458,528	406,223	52,305
General supplies	110,600	(87,892)	22,708	22,325	383
Other objects	1,050	(925)	125	125	
Total required maintenance for school facilities	706,409	84,573	790,982	738,294	52,688
Custodial Services:					
Salaries	1,992,054	(96,166)	1,895,888	1,895,888	
Purchased professional and technical services	27,655	(23,998)	3,657	990	2,667
Cleaning, repair and maintenance services	111,511	(77,388)	34,123	32,165	1,958
Other purchased property services	141,400	8,807	150,207	150,207	
Insurance	246,351	48,143	294,494	294,494	
General supplies	137,300	(36,673)	100,627	100,627	
Energy - Natural gas	186,585	33,765	220,350	220,350	
Energy - Electricity	475,598	(1,327)	474,271	474,271	
Other objects	3,000	(1,745)	1,255	1,255	
Total custodial services	3,321,454	(146,582)	3,174,872	3,170,247	4,625
Care & upkeep of grounds:					
Cleaning, repair and maintenance services	161,260	(43,395)	117,865	117,365	500
General supplies	44,000	(24,341)	19,659	17,591	2,068
Total care & upkeep of grounds	205,260	(67,736)	137,524	134,956	2,568

Northern Valley Regional High School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Security					
Non-reimb Cust OT/Franklin	\$ 172,825	\$ (16,041)	\$ 156,784	\$ 156,784	
Purchased professional and technical services	343,329	(84,482)	258,847	257,700	\$ 1,147
General supplies	736	572	1,308	1,300	8
Total Security	<u>516,890</u>	<u>(99,951)</u>	<u>416,939</u>	<u>415,784</u>	<u>1,155</u>
Student transportation services:					
Contracted Serv.- Aid in Lieu -NonPub Sch	50,000	(7,683)	42,317	42,317	
Contracted Serv.(Bet. Home and Sch)-vendors	677,623	(131,704)	545,919	545,916	3
Contracted Serv.(Oth. Than Bet. Home and Sch)- vendors	938,860	(252,781)	686,079	686,079	
Contracted Services.(Sp Ed Stds)-vendors	1,049,901	1,489,257	2,539,158	2,539,158	
Miscellaneous expenditures		2,700	2,700	2,700	
Total student transportation services	<u>2,716,384</u>	<u>1,099,789</u>	<u>3,816,173</u>	<u>3,816,170</u>	<u>3</u>
Unallocated benefits:					
Social security contributions	685,000	39,438	724,438	724,438	
TPAF/PERS Special Assessments		2,952	2,952	234	2,718
Other retirement contributions - PERS	1,022,649	(68,176)	954,473	954,473	
Unemployment Compensation	28,000	(28,000)			
Worker's compensation	442,680	(166,198)	276,482	276,482	
Health Insurance	5,721,393	108,321	5,829,714	5,829,714	
Tuition reimbursement	36,000	(25,400)	10,600	10,600	
Other employee benefits	51,672	(23,162)	28,510	28,510	
Unused Sick payments to terminated/retired staff	135,000	12,615	147,615	146,988	627
Total unallocated benefits	<u>8,122,394</u>	<u>(147,610)</u>	<u>7,974,784</u>	<u>7,971,439</u>	<u>3,345</u>
On-behalf TPAF pension contributions (non-budgeted)				10,544,451	(10,544,451)
On-behalf TPAF Post-Retirement Medical contributions (non-budgeted)				2,770,002	(2,770,002)
On-behalf TPAF Long- Term Disability Insurance contributions (non-budgeted)				2,556	(2,556)
Reimbursed TPAF social security contributions (non-budgeted)				2,081,532	(2,081,532)
Total personal services: benefits	<u>8,122,394</u>	<u>(147,610)</u>	<u>7,974,784</u>	<u>23,369,980</u>	<u>(15,395,196)</u>
Total undistributed expenditures	<u>33,496,925</u>	<u>469,712</u>	<u>33,966,637</u>	<u>49,183,596</u>	<u>(15,216,959)</u>
Total current expenditures	<u>62,709,798</u>	<u>339,190</u>	<u>63,048,988</u>	<u>78,070,730</u>	<u>(15,021,742)</u>

Northern Valley Regional High School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Capital outlay:					
Equipment:					
Instruction Grades 9-12		\$ 12,915	\$ 12,915	\$ 9,950	\$ 2,965
Undistributed expenditures:					
Instruction		72,213	72,213	48,858	23,355
School-spons & other instruction program		4,466	4,466	4,466	
Admin Info Tech		42,511	42,511	42,511	
Custodial services		60,475	60,475	60,475	
Care and Upkeep of Grounds		102,783	102,783		102,783
Total equipment	-	295,363	295,363	166,260	129,103
Facilities acquisition and construction services:					
Architectural / engineering	\$ 149,736	64,122	213,858	161,771	52,087
Construction services	1,497,364	1,709,322	3,206,686	1,613,579	1,593,107
Lease purchase agreements - principal	285,000		285,000	285,000	
Assessment for Debt Service on SDA Funding	67,210		67,210	67,210	
Total facilities acquisition and construction services	1,999,310	1,773,444	3,772,754	2,127,560	1,645,194
Interest deposit to capital reserve	10,000		10,000		10,000
Total expenditures - capital outlay	2,009,310	2,068,807	4,078,117	2,293,820	1,784,297
Special Schools					
Salaries -Summer School	10,344		10,344	5,316	5,028
Personal Serv-Employee Benefit	791		791	407	384
Total special schools	11,135	-	11,135	5,723	5,412
Total expenditures	64,730,243	2,407,997	67,138,240	80,370,273	(13,232,033)
(Deficiency) excess of revenues (under) over expenditures	(1,647,100)	(2,407,997)	(4,055,097)	(403,160)	3,651,937
Fund balances, July 1	14,170,486		14,170,486	14,170,486	
Fund balances, June 30	\$ 12,523,386	\$ (2,407,997)	\$ 10,115,389	\$ 13,767,326	\$ 3,651,937
Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources (uses)					
Budgeted general fund balance	\$ (1,647,100)		\$ (1,647,100)	\$ 2,004,837	\$ 3,651,937
Unbudgeted prior year extraordinary aid		\$ (184,840)	(184,840)	(184,840)	-
Adjustment for prior year encumbrances, net		(2,223,157)	(2,223,157)	(2,223,157)	
Total	\$ (1,647,100)	\$ (2,407,997)	\$ (4,055,097)	\$ (403,160)	\$ 3,651,937
Recapitulation of fund balance:					
Restricted for:					
Capital reserve				\$ 7,034,803	
Capital reserve - Designated for subsequent year's expenditures				1,823,288	
Maintenance reserve				404,758	
Unemployment reserve				51,950	
Excess surplus - current year				179,228	
Assigned to:					
Year end encumbrances				1,353,881	
Designated for subsequent year's expenditures				1,111,851	
Unassigned fund balance				1,807,567	
				<u>13,767,326</u>	
Reconciliation to Governmental Funds Statements GAAP:					
Last two state aid payments not recognized on GAAP basis				(197,769)	
Fund balance per Governmental Funds (GAAP) (B-1)				<u>\$ 13,569,557</u>	

* Note: The On-Behalf TPAF contributions per Exhibit K-4 are allocated to the General and Enterprise Funds

Northern Valley Regional High School District
Special Revenue Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State sources	\$ 186,289	\$ 27,675	\$ 213,964	\$ 207,404	\$ (6,560)
Federal sources	668,046	1,178,918	1,846,964	1,845,995	(969)
Other sources		2,033,689	2,033,689	2,034,689	
Total revenues	854,335	3,240,282	4,094,617	4,088,088	(7,529)
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers		162,964	162,964	162,964	
Purchased professional technical services	215,827	(161,207)	54,620	54,620	
Other purchased services	331,735	138,090	469,825	469,825	
Tuition		119,860	119,860	119,860	
Supplies and materials	7,674	257,436	265,110	264,141	969
Text books	21,785	6,133	27,918	27,918	
Other Objects		372	372	372	
Total instruction	577,021	523,648	1,100,669	1,099,700	969
Support services:					
Salaries of other professional staff		160,733	160,733	160,733	
Personal services—employee benefits	21,742	67,720	89,462	89,462	
Purchased professional technical services	255,572	(96,546)	159,026	159,026	
Cleaning, repair and maintenance services		54,512	54,512	54,512	
Other purchased services		491,535	491,535	491,534	1
Supplies and materials		32,054	32,054	25,495	6,559
Scholarships awarded		7,500	7,500	7,500	
Student activities		1,937,313	1,937,313	1,937,313	
Other Objects		13,946	13,946	14,946	
Total support services	277,314	2,668,767	2,946,081	2,940,521	6,560
Capital outlay:					
Facilities acquisition and construction services:					
Instructional equipment		56,398	56,398	56,398	
Total facilities acquisition and construction services	-	56,398	56,398	56,398	-
Total expenditures	854,335	3,248,813	4,103,148	4,096,619	7,529
Excess (deficiency) of revenues over (under) expenditures	-	(8,531)	(8,531)	(8,531)	-
Fund Balance, July 1	809,456	-	809,456	809,456	-
Fund Balance, June 30	\$ 809,456	\$ (8,531)	\$ 800,925	\$ 800,925	\$ -
Recapitulation:					
Restricted:					
Scholarships			\$ 23,211		
Student Activities/Athletics			777,714		
Total Fund Balance			\$ 800,925		

Northern Valley Regional High School District
 Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2023

	General Fund	Special Revenue Fund
	<hr/>	<hr/>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1, C-2)	\$ 79,967,113	\$ 4,088,088
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior year, net of adjustments		7,528
General and preschool state aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	162,789	
Current year	(197,769)	
	<hr/>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	<u>\$ 79,932,133</u>	<u>\$ 4,095,616</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 80,370,273	\$ 4,096,619
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior year, net of adjustments		7,528
		<hr/>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 80,370,273</u>	<u>\$ 4,104,147</u>

Supplementary Information

Special Revenue Fund

Northern Valley Regional School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures:
Budgetary Basis

Year ended June 30, 2021

	New Jersey Non-Public A/c													Subtotal	Page 1					
	Title I		I.D.E.A.		Title II		Title III		Title III		Title IV		Technology Initiative			Exam & Class	Supple - mentary Instruction	Nursing	Text - books	Home Instruction
	Regular	Part B	ARP Basic	Part A	Regular	Immigrant	Regular	Immigrant	Drug Free	Regular	Regular	Regular	Regular			Regular	Regular	Regular	Regular	Regular
Revenues:																				
State sources																				
Federal sources	\$ 84,113	\$ 447,448	\$ 4,652	\$ 116,301	\$ 45,953	\$ 34,878	\$ 70,260	\$ 17,760	\$ 20,668	\$ 20,154	\$ 51,856	\$ 27,918	\$ 2,076	\$ 140,432						
Other sources																				
Total revenues	\$ 84,113	\$ 447,448	\$ 4,652	\$ 116,301	\$ 45,953	\$ 34,878	\$ 70,260	\$ 17,760	\$ 20,668	\$ 20,154	\$ 51,856	\$ 27,918	\$ 2,076	\$ 944,037						
Expenditures:																				
Current expenditures																				
Instruction:																				
Salaries of teachers	\$ 34,542				\$ 4,969	\$ 3,915														\$ 43,426
Purchased professional services:	36,568				6,431	5,260		6,361												
Other purchased services		\$ 441,773	\$ 4,652																446,425	
Tuition					29,521	18,386	40,381	\$ 7,662											95,950	
Supplies and materials																	\$ 27,918		27,918	
Textbooks																			372	
Other objects																				
Total instruction	71,110	441,773	4,652	-	40,921	27,933	46,742	7,662	-	-	-	-	-	668,711						
Support services																				
Salaries of other professional staf							2,350												\$ 2,350	
Personal services-employee benefit	5,880				306		871	9,493		\$ 20,668	\$ 20,154	\$ 51,856	\$ 2,076	6,186					110,793	
Purchased professional services:		5,675																		
Cleaning, Repair and Maintenance Service																				
Other purchased services	2,253			\$ 110,344	3,445	2,805								118,847						
Supplies and material					289	192	2,825							3,306						
Scholarships award																				
Student activities	4,870			5,957	992	727	1,400													
Other objects																				
Total support services	13,003	5,675	-	116,301	5,032	6,945	13,718	-	20,668	20,154	51,856	-	2,076	255,428						
Capital outlay																				
Construction Services																				
Equipment:																				
Instructional equipmen								9,800	10,098											19,898
Non-Instructional equipmen																				
Total capital outlay	-	-	-	-	-	-	-	9,800	10,098	-	-	-	-	19,898						
Total expenditures:	\$ 84,113	\$ 447,448	\$ 4,652	\$ 116,301	\$ 45,953	\$ 34,878	\$ 70,260	\$ 17,760	\$ 20,668	\$ 20,154	\$ 51,856	\$ 27,918	\$ 2,076	\$ 944,037						
Excess (deficiency) of revenues ove (under) expenditures:	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						

Northern Valley Regional School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditure:
Budgetary Basis

Year ended June 30, 2021

	Carl	Elementary and Secondary	Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)	Elementary and Secondary	Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)	Additional or Compensatory Special Education and Related Services (ACRS)	Accelerated Learning	Evidence-Based Summer Learning and	Evidence-Based	NJTSS	NJ SDA	School	Student	Scholarships	Local	Page 1	Totals
	Perkins	School Emergency Relief ARP Program	ARP Mental Health Grant Program	School Emergency Relief ESSRR II Grant Program	Learning Acceleration Grant Program		Coaching and Educator Support Grant	Enrichment Activities Grant	School Day Activities Grant	Mental Health Support Staffing Grant	Emergent Needs Grant	Climate Change	Activity/Athletics	Fund	Programs	Totals	Totals
Revenues:																	
State sources																	
Federal sources	\$ 23,139	\$ 184,958	\$ 18,576	\$ 249,279	\$ 7,315	\$ 389,579	\$ 82,005	\$ 34,852	\$ 40,000	\$ 12,687	\$ 60,312	\$ 6,660				\$ 140,432	\$ 207,404
Other sources													\$ 1,925,322	\$ 10,960	\$ 98,407	\$ 803,605	\$ 1,845,995
Total revenues	\$ 23,139	\$ 184,958	\$ 18,576	\$ 249,279	\$ 7,315	\$ 389,579	\$ 82,005	\$ 34,852	\$ 40,000	\$ 12,687	\$ 60,312	\$ 6,660	\$ 1,925,322	\$ 10,960	\$ 98,407	\$ 944,037	\$ 4,088,088
Expenditures:																	
Current expenditures																	
Instruction:																	
Salaries of teachers	\$ 6,730	\$ 984			\$ 2,205	\$ 89,619									\$ 20,000	\$ 43,426	\$ 162,964
Purchased professional technical service																\$ 54,620	\$ 54,620
Other purchased services				\$ 19,400											4,000	\$ 446,425	\$ 489,825
Tuition	14,394	71,534			2,600	119,860											119,860
Supplies and materials				68,990								\$ 1,926			8,747	95,950	264,141
Textbooks																27,918	27,918
Other objects																372	372
Total instruction	21,124	72,518	-	88,390	4,805	209,479	-	-	-	-	-	1,926	-	-	32,747	668,711	1,099,700
Support services:																	
Salaries of other professional staff		20,000	7,845			14,656	45,000	32,375	37,157	1,350						2,350	160,733
Personal services-employee benefit	515	1,605	600		169	71,522	3,442	2,477	2,843	103						6,186	89,462
Purchased professional services:	1,500		10,000		2,341	434	12,159									21,799	110,793
Cleaning, Repair and Maintenance Service																6,071	54,512
Other purchased services		90,835		160,889		93,488	21,404				\$ 54,512					118,847	491,534
Supplies and material:																10,824	3,306
Scholarships awarded			131							11,234							7,500
Student activities													\$ 1,937,313	\$ 7,500			1,937,313
Other objects															1,000	13,946	14,946
Total support services	2,015	112,440	18,576	160,889	2,510	180,100	82,005	34,852	40,000	12,687	54,512	-	1,937,313	7,500	39,694	255,428	2,940,521
Capital outlay																	
Construction Services																	
Equipment:																	
Instructional equipment											5,800	4,734			25,966	19,898	56,398
Non-Instructional equipment																	
Total capital outlay	-	-	-	-	-	-	-	-	-	-	5,800	4,734	-	-	25,966	19,898	56,398
Total expenditures	\$ 23,139	\$ 184,958	\$ 18,576	\$ 249,279	\$ 7,315	\$ 389,579	\$ 82,005	\$ 34,852	\$ 40,000	\$ 12,687	\$ 60,312	\$ 6,660	\$ 1,937,313	\$ 7,500	\$ 98,407	\$ 944,037	\$ 4,096,619
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-	-	-	-	-	(11,991)	3,460	-	-	(8,531)
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	789,705	19,751	-	-	809,456
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 777,714	\$ 23,211	\$ -	\$ -	\$ 800,925

Capital Projects Fund

Not Applicable

Proprietary Funds

Northern Valley Regional High School District
Enterprise Funds

Combining Statement of Net Position

As of June 30, 2023

	Business Type Activities		
	Non-Major Programs		
	Food Service	Teens and Tots	Totals
Assets			
Current assets:			
Cash and cash equivalents	\$ 226,683	\$ 40,510	\$ 267,193
Accounts Receivable - State		618	618
Other Accounts Receivable	5,701		5,701
Inventories	15,439		15,439
Total current assets	<u>247,823</u>	<u>41,128</u>	<u>288,951</u>
Capital assets:			
Furniture, machinery & equipment	284,373		284,373
Less: Accumulated depreciation	(212,600)		(212,600)
Total Capital Assets	<u>71,773</u>	<u>-</u>	<u>71,773</u>
Total Assets	<u>319,596</u>	<u>41,128</u>	<u>360,724</u>
Liabilities			
Current liabilities:			
Accounts payable	49,438	27	49,465
Due to Other Funds		618	618
Other Payable		31,005	31,005
Unearned revenue	36,591	1,300	37,891
Total current liabilities	<u>86,029</u>	<u>32,950</u>	<u>118,979</u>
Noncurrent Liabilities:			
Compensated Absences		1,785	1,785
Total Noncurrent Liabilities	<u>-</u>	<u>1,785</u>	<u>1,785</u>
Total Liabilities	<u>86,029</u>	<u>34,735</u>	<u>120,764</u>
Net Position			
Investment in Capital Assets	71,773		71,773
Unrestricted	161,794	6,393	168,187
Total Net Position	<u>\$ 233,567</u>	<u>\$ 6,393</u>	<u>\$ 239,960</u>

Northern Valley Regional High School District
Enterprise Funds

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position

For the Fiscal Year ended June 30, 2023

	Business Type Activities		
	Non-Major Programs		
	Food Service	Teens and Tots	Totals
Operating Revenues:			
Charges for Services:			
Daily sales - non-reimbursable	\$ 1,386,960		\$ 1,386,960
Special Functions	191,719		191,719
Charges and Fees		\$ 269,300	269,300
Total operating revenues	<u>1,578,679</u>	<u>269,300</u>	<u>1,847,979</u>
Operating expenses:			
Cost of Sales - non reimbursable	755,489		755,489
Salaries/Salaries of Teachers	392,134	259,738	651,872
Employee Benefits	131,290	133,341	264,631
Employee Benefits GASB 68 and GASB 75		(34,422)	(34,422)
Other Purchased Services	34,981	479	35,460
Supplies and materials	53,587	5,779	59,366
Management fee	91,050		91,050
Depreciation	10,129		10,129
Total Operating Expenses	<u>1,468,660</u>	<u>364,915</u>	<u>1,833,575</u>
Operating Income (Loss)	<u>110,019</u>	<u>(95,615)</u>	<u>14,404</u>
Nonoperating Revenues:			
On-Behalf (Non-Budgeted)			
TPAF Pension System			-
Post Retirement Medical		16,483	16,483
Pension		62,746	62,746
Long-Term Disability		15	15
Reimbursed TPAF S.S.		12,364	12,364
Interest	9,428	1,532	10,960
Total Non-Operating Revenues	<u>9,428</u>	<u>93,140</u>	<u>102,568</u>
Change in Net Position	119,447	(2,475)	116,972
Total Net Position-Beginning of Year	114,120	8,868	122,988
Total Net Position- Ending of Year	<u>\$ 233,567</u>	<u>\$ 6,393</u>	<u>\$ 239,960</u>

Northern Valley Regional High School District
Enterprise Funds

Combining Statement of Cash Flows

For The Fiscal Year ended June 30, 2023

	Business Type Activities		
	Non-Major Programs		
	Food Service	Teens and Tots	Totals
Cash Flows From Operating Activities			
Receipts from customers	\$ 1,580,356	\$ 277,255	\$ 1,857,611
Payments to Employees and Benefits	(523,424)	(281,265)	(804,689)
Payments to Suppliers for Goods and Services	(972,874)	(6,734)	(979,608)
Net cash provided by (used for) operating activities	<u>84,058</u>	<u>(10,744)</u>	<u>73,314</u>
Cash Flows From Noncapital Financing Activities			
Cash received from State Subsidy Reimbursement		12,326	12,326
Net cash provided by Noncapital financing activities	<u>-</u>	<u>12,326</u>	<u>12,326</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of capital assets	(16,904)		(16,904)
Net cash (used for) in capital and related financing activities	<u>(16,904)</u>	<u>-</u>	<u>(16,904)</u>
Cash flows From Investments and Related Financing Activities			
Interest on Deposits	9,428	1,532	10,960
Net cash provided by investing and related financing activities	<u>9,428</u>	<u>1,532</u>	<u>10,960</u>
Net increase (decrease) in cash and cash equivalents	76,582	3,114	79,696
Cash and Cash Equivalents, Beginning of Year	150,101	37,396	187,497
Cash and Cash Equivalents, End of Year	<u>\$ 226,683</u>	<u>\$ 40,510</u>	<u>\$ 267,193</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating Income (loss)	\$ 110,019	\$ (95,615)	\$ 14,404
Adjustments to reconcile operating income(loss) to net cash used by operating activities:			
Non-Cash State On Behalf TPAF Pension and OPEB		79,244	79,244
Depreciation	10,129		10,129
(Increase) Decrease in accounts receivable,net	(3,406)		(3,406)
(Increase) Decrease in inventories	(6,322)		(6,322)
Increase (decrease) in unearned revenues	5,083	850	5,933
Increase (decrease) in other payable		7,105	7,105
Increase (decrease) in accounts payable	(33,005)	(476)	(33,481)
Increase (decrease) in compensated absences		(1,890)	(1,890)
(Increase) decrease in due from other funds	1,560	38	1,598
Total adjustments	<u>(25,961)</u>	<u>84,871</u>	<u>58,910</u>
Net cash provided by (used for) operating activities	<u>\$ 84,058</u>	<u>\$ (10,744)</u>	<u>\$ 73,314</u>

Long-Term Debt

Northern Valley Regional High School District
 Long-Term Debt

Schedule of Serial Bonds Payable

June 30, 2023

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2022	Retired	Balance June 30, 2023
			Date	Amount				
2009 School Bonds	7/15/2009	\$ 2,290,000	8/1/2023	\$ 265,000	4.00%	\$ 795,000	\$ 255,000	\$ 540,000
			8/1/2024	275,000	4.00%			
2016 School Bonds	7/12/2016	11,707,000	8/1/2023	1,000,000	2.00%	9,557,000	1,000,000	8,557,000
			8/1/2024	1,000,000	2.00%			
			8/1/2025	1,000,000	2.00%			
			8/1/2026	1,000,000	2.00%			
			8/1/2027	1,000,000	2.00%			
			8/1/2028	1,000,000	2.00%			
			8/1/2029	900,000	2.00%			
			8/1/2030	850,000	2.00%			
			8/1/2031	807,000	2.50%			
						\$ 10,352,000	\$ 1,255,000	\$ 9,097,000

Northern Valley Regional High School District
Long-Term Debt

Schedule of Obligations Under Financed Purchases and Leases

June 30, 2023

Issue	Interest Rate	Amount of Original Issue	Balance July 1, 2022	Retired	Balance June 30, 2023
Lease Revenue Bonds - Valley Program Project	4.00% - 5.00%	\$ 4,365,000	\$ 3,580,000	\$ 285,000	\$ 3,295,000
			<u>\$ 3,580,000</u>	<u>\$ 285,000</u>	<u>\$ 3,295,000</u>

Leases Payable

Issue	Interest Rate	Amount of Original Issue	Balance July 1, 2022	Retired	Balance June 30, 2023
TD Equipment Financing	2.02%	\$ 469,594	\$ 431,765	\$ (4,673)	\$ 436,438
Canon Financial Services	0.00%	1,764,646	272,184	84,973	187,211
Total Leases Payable		<u>2,234,240</u>	<u>703,949</u>	<u>80,300</u>	<u>623,649</u>
Total Financed Purchases and Leases Payable			<u>\$ 4,283,949</u>	<u>\$ 365,300</u>	<u>\$ 3,918,649</u>

Northern Valley Regional High School District
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local sources:					
Local tax levy	\$ 1,077,482		\$ 1,077,482	\$ 1,077,482	
Debt Service Aid	388,756	-	388,756	388,756	-
Total revenues	<u>1,466,238</u>	<u>-</u>	<u>1,466,238</u>	<u>1,466,238</u>	<u>-</u>
Expenditures:					
Principal on bonds	1,255,000		1,255,000	1,255,000	
Interest on bonds	211,238	-	211,238	211,238	-
Total expenditures	<u>1,466,238</u>	<u>-</u>	<u>1,466,238</u>	<u>1,466,238</u>	<u>-</u>
Excess of revenues over expenditures	-		-	-	
Fund balance, July 1	1		1	1	
Fund balance, June 30	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>

Statistical Section (Unaudited)

Other Information

STATISTICAL SECTION

This part of the Northern Valley Regional High School District'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 government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government'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 government'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 government's current levels of outstanding debt and the government'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 government'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 government's financial report relates to the services the government provides and the activities it performs.

J-16 to J-20

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

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year									
	2014 (Restated)	2015	2016	2017 (Restated)	2018	2019	2020 (Restated)	2021	2022	2023
Governmental Activities										
Net Investment in Capital Assets	\$ (5,679,679)	\$ (4,835,391)	\$ (2,655,839)	\$ (1,537,942)	\$ (212,540)	\$ 1,751,382	\$ 5,576,485	\$ 8,971,199	\$ 11,661,117	\$ 14,323,633
Restricted	1,632,252	2,576,665	2,299,137	2,194,207	3,450,445	4,567,420	7,018,821	9,624,105	10,161,795	10,115,725
Unrestricted	<u>269,738</u>	<u>(14,728,127)</u>	<u>(15,276,946)</u>	<u>(15,062,664)</u>	<u>(16,699,317)</u>	<u>(17,764,349)</u>	<u>(18,235,920)</u>	<u>(16,399,774)</u>	<u>(12,416,856)</u>	<u>(11,063,532)</u>
Total Governmental Activities Net Position	<u>\$ (3,777,689)</u>	<u>\$ (16,986,853)</u>	<u>\$ (15,633,648)</u>	<u>\$ (14,406,399)</u>	<u>\$ (13,461,412)</u>	<u>\$ (11,445,547)</u>	<u>\$ (5,640,614)</u>	<u>\$ 2,195,530</u>	<u>\$ 9,406,056</u>	<u>\$ 13,375,826</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 107,934	\$ 88,085	\$ 95,402	\$ 92,526	\$ 106,483	\$ 92,748	\$ 97,801	\$ 125,318	\$ 410,937	\$ 732,526
Unrestricted	<u>4,934,685</u>	<u>(3,984,203)</u>	<u>(4,492,879)</u>	<u>(6,135,564)</u>	<u>(7,757,032)</u>	<u>(6,668,538)</u>	<u>(6,445,370)</u>	<u>(7,835,108)</u>	<u>(5,145,075)</u>	<u>(2,178,680)</u>
Total Business-Type Activities Net Position	<u>\$ 5,042,619</u>	<u>\$ (3,896,118)</u>	<u>\$ (4,397,477)</u>	<u>\$ (6,043,038)</u>	<u>\$ (7,650,549)</u>	<u>\$ (6,575,790)</u>	<u>\$ (6,347,569)</u>	<u>\$ (7,709,790)</u>	<u>\$ (4,734,138)</u>	<u>\$ (1,446,154)</u>
District-Wide										
Net Investment in Capital Assets	\$ (5,571,745)	\$ (4,747,306)	\$ (2,560,437)	\$ (1,445,416)	\$ (106,057)	\$ 1,844,130	\$ 5,674,286	\$ 9,096,517	\$ 12,072,054	\$ 15,056,159
Restricted	1,632,252	2,576,665	2,299,137	2,194,207	3,450,445	4,567,420	7,018,821	9,624,105	10,161,795	10,115,725
Unrestricted	<u>5,204,423</u>	<u>(18,712,330)</u>	<u>(19,769,825)</u>	<u>(21,198,228)</u>	<u>(24,456,349)</u>	<u>(24,432,887)</u>	<u>(24,681,290)</u>	<u>(24,234,882)</u>	<u>(17,561,931)</u>	<u>(13,242,212)</u>
Total District Net Position	<u>\$ 1,264,930</u>	<u>\$ (20,882,971)</u>	<u>\$ (20,031,125)</u>	<u>\$ (20,449,437)</u>	<u>\$ (21,111,961)</u>	<u>\$ (18,021,337)</u>	<u>\$ (11,988,183)</u>	<u>\$ (5,514,260)</u>	<u>\$ 4,671,918</u>	<u>\$ 11,929,672</u>

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

(2) - Fund Balances at June 30, 2020 have been restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 25,455,524	\$ 26,513,942	\$ 32,470,087	\$ 36,453,238	\$ 37,509,266	\$ 35,994,518	\$ 34,075,091	\$ 37,214,677	\$ 32,863,447	\$ 32,187,019
Special Education	2,956,280	3,612,972	7,590,218	8,573,915	9,014,717	7,038,978	8,414,650	8,587,257	5,879,022	5,663,842
Other Instruction	2,706,078	2,573,423	215,251	274,467	367,800	384,015	134,919	336,441	10,344	216,019
School Sponsored Activities and Athletics			3,194,204	3,588,010	3,893,781	3,430,891	3,558,156	4,314,079	3,594,742	6,455,626
Support Services:										
Tuition	3,954,180	4,339,032								
Student and Instruction Related Services	7,958,877	7,699,646	8,754,056	9,243,193	9,705,031	9,196,610	10,976,335	12,102,929	13,447,941	13,244,213
School Administration Services	3,656,647	3,500,274	4,417,188	4,898,033	4,722,623	4,817,049	3,145,409	3,235,847	3,098,793	2,719,671
General Administrative Services	2,261,567	1,887,360	1,301,361	1,288,164	1,471,261	1,279,639	1,661,752	1,657,276	1,572,532	1,604,640
Plant Operations And Maintenance	5,103,097	4,954,125	5,591,664	6,124,479	6,931,247	7,391,167	6,765,554	6,192,496	7,589,389	7,306,730
Pupil Transportation	1,654,579	1,641,240	1,619,265	1,720,084	1,756,972	2,040,701	1,647,369	1,270,749	2,499,246	3,816,170
Business and Other Support Services	-	-	965,986	946,417	1,048,946	1,132,655	1,246,589	1,276,962	2,453,028	2,265,636
Special Schools	68,385	24,058								
SDA Debt Service Assessment	67,210	67,210								
Interest on Long-Term Debt	682,605	612,133	537,815	653,603	428,469	397,139	451,674	383,782	112,635	263,181
Total Governmental Activities Expenses	56,525,029	57,425,415	66,657,095	73,763,603	76,850,113	73,103,362	72,077,498	76,572,495	73,121,119	75,742,747
Business-Type Activities										
Non-Major Programs	1,468,489	1,540,339	1,774,493	1,885,936	1,601,127	1,327,067	1,025,239	136,706	1,355,859	1,833,575
Technical Services	2,666,938	1,550,888	1,116,044	960,341	929,634	927,736	355,934	-	-	-
Teens and Tots										
Regional Cooperative Program	956,561	1,183,505	1,434,251	1,579,032	1,621,187	1,739,102	1,695,216	1,819,378	1,697,804	1,986,553
Regional Transportation	1,739,880	1,694,080	1,828,084	2,001,982	2,054,891	2,441,722	1,861,787	1,728,188	3,003,138	5,013,585
Regional Special Education	14,188,829	15,232,292	19,955,763	24,203,108	24,119,979	20,350,154	20,990,876	21,270,606	17,107,696	17,021,258
Total Business-Type Activities Expense	21,020,697	21,201,104	26,108,635	30,630,409	30,326,818	26,785,781	25,929,052	24,954,878	23,164,497	25,854,971
Total District Expenses	\$ 77,545,726	\$ 78,626,519	\$ 92,765,730	\$ 104,394,012	\$ 107,176,931	\$ 99,889,143	\$ 98,006,550	\$ 101,527,373	\$ 96,285,616	\$ 101,597,718
Program Revenues										
Governmental Activities										
Charges For Services										
Regular			\$ 436,515	\$ 479,534	\$ 459,388	\$ 464,142	\$ 372,079	\$ 266,464	\$ 503,233	\$ 477,789
Special Education				57,000	155,686	238,533	566,510	820,773	1,176,963	1,725,926
Other Instruction						2,612	7,858	13,775	9,976	5,462
Interest on long-term debt	\$ 64,137	\$ 9,913								
Operating Grants and Contributions	588,837	519,927	14,760,738	20,543,568	22,383,681	18,239,000	17,042,824	23,697,227	18,833,684	17,195,420
Capital Grants and Contributions	8,169,263	7,567,533	109,599	41,640	29,250	50,502		235,090	28,128	54,307
Total Governmental Activities Program Revenues	8,822,237	8,097,373	15,306,852	21,121,742	23,028,005	18,994,789	18,224,361	24,824,075	20,551,984	19,458,904
Business-Type Activities										
Charges For Services										
Non-Major Programs	1,506,624	1,477,105	1,675,582	1,705,663	1,522,582	1,252,368	949,787	29,012	1,277,655	1,847,979
Technical Services	2,610,416	1,318,642	716,682	934,104	891,546	1,062,438	396,015	-	-	-
Teens and Tots	-	-	-	-	-	-	-	-	-	-
Regional Cooperative Program	1,094,086	1,334,198	1,264,099	1,357,097	1,243,284	1,034,182	1,032,428	1,230,262	1,457,066	1,581,531
Regional Transportation	1,751,827	1,968,757	1,580,097	1,960,733	2,051,960	2,437,176	1,836,462	1,726,018	3,037,706	5,003,737
Regional Special Education	15,286,985	15,419,458	17,097,926	18,015,364	17,187,273	17,207,858	17,668,651	15,648,228	16,681,706	17,059,377
Capital Grants and Contributions									86,652	52,515
Operating Grants And Contributions	-	-	3,210,006	4,867,159	5,748,006	4,768,312	5,068,911	5,026,406	3,584,712	3,492,568
Total Business Type Activities Program Revenues	22,249,938	21,518,160	25,544,392	28,840,120	28,644,651	27,762,334	26,952,254	23,659,926	26,125,497	29,037,707
Total District Program Revenues	\$ 31,072,175	\$ 29,615,533	\$ 40,851,244	\$ 49,961,862	\$ 51,672,656	\$ 46,757,123	\$ 45,176,615	\$ 48,484,001	\$ 46,677,481	\$ 48,496,611
Net (Expense)/Revenue										
Governmental Activities	\$ (47,702,792)	\$ (49,328,042)	\$ (51,350,243)	\$ (52,641,861)	\$ (53,822,108)	\$ (54,108,573)	\$ (53,853,137)	\$ (51,748,420)	\$ (52,569,135)	\$ (56,283,843)
Business-Type Activities	1,229,241	317,056	(564,243)	(1,790,289)	(1,682,167)	976,553	1,023,202	(1,294,952)	2,961,000	3,182,736
Total District-Wide Net Expenses	\$ (46,473,551)	\$ (49,010,986)	\$ (51,914,486)	\$ (54,432,150)	\$ (55,504,275)	\$ (53,132,020)	\$ (52,829,935)	\$ (53,043,372)	\$ (49,608,135)	\$ (53,101,107)

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Assets										
Governmental Activities										
Property Taxes Levied For General Purposes, Net	\$ 47,399,154	\$ 48,526,678	\$ 49,835,108	\$ 50,727,156	\$ 51,731,554	\$ 52,910,341	\$ 54,206,644	\$ 55,279,936	\$ 56,164,415	\$ 57,259,622
Taxes Levied For Debt Service	1,214,763	1,569,746	2,091,842	2,100,486	2,226,494	2,396,656	2,425,745	2,444,033	2,408,534	1,077,482
Federal and State Aid - Unrestricted	38,883	81,489	44,968	23,541	32,806	1,091			157,321	388,756
Tuition (other than special schools)	315,572	336,071								
Investment earnings	12,573	12,684								
Miscellaneous Income	143,252	187,837	688,436	534,874	504,924	593,014	1,098,787	1,524,472	794,875	1,527,753
Adjustment to Capital Assets	(937,461)	-								
N.J. Economic Development Authority grants	(23,221)	484,902								
Refunding bond proceeds	-	-								
State Aid Restricted for Debt Service			92,242	92,135	204,739	239,673	245,331	250,005	254,516	
Transfers	-	-	(49,148)	(27,452)	66,578	(16,337)	800,000	86,118	-	-
Total Governmental Activities	48,163,515	51,199,407	52,703,448	53,450,740	54,767,095	56,124,438	58,776,507	59,584,564	59,779,661	60,253,613
Business-Type Activities										
Investment earnings	5,477	6,239	13,736	13,828	27,598	70,635	5,019	456	14,652	105,248
Refund on prior year revenue	-	-							-	
Miscellaneous Income			49,148	27,452	(66,578)	16,337	(800,000)	18,393	(86,118)	
Transfers					113,636	11,234				
Change in Net Pension Liability	-	-	-	-						
Total Business-Type Activities	5,477	6,239	62,884	41,280	74,656	98,206	(794,981)	(67,269)	14,652	105,248
Total District-Wide	\$ 48,168,992	\$ 51,205,646	\$ 52,766,332	\$ 53,492,020	\$ 54,841,751	\$ 56,222,644	\$ 57,981,526	\$ 59,517,295	\$ 59,794,313	\$ 60,358,861
Change in Net Position										
Governmental Activities	\$ 460,723	\$ 1,871,365	\$ 1,353,205	\$ 808,879	\$ 944,987	\$ 2,015,865	\$ 4,923,370	\$ 7,836,144	\$ 7,210,526	\$ 3,969,770
Business-Type Activities	1,234,718	323,295	(501,359)	(1,749,009)	(1,607,511)	1,074,759	228,221	(1,362,221)	2,975,652	3,287,984
Total District	\$ 1,695,441	\$ 2,194,660	\$ 851,846	\$ (940,130)	\$ (662,524)	\$ 3,090,624	\$ 5,151,591	\$ 6,473,923	\$ 10,186,178	\$ 7,257,754

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023
General Fund										
Restricted	\$ 1,549,498	\$ 1,656,070	\$ 2,784,289	\$ 2,822,534	\$ 4,074,593	\$ 4,740,392	\$ 7,419,766	\$ 10,004,947	\$ 9,352,338	\$ 9,494,027
Committed				54,537	94,060	125,013	62,293	521,268	-	
Assigned	895,598	842,072	1,052,956	1,101,784	88,288	677,947	47,996	137,273	2,223,157	2,465,732
Unassigned	996,136	970,618	461,077	364,690	427,170	388,028	391,388	734,971	2,432,202	1,609,798
Total general fund	<u>3,441,232</u>	<u>3,468,760</u>	<u>4,298,322</u>	<u>4,343,545</u>	<u>4,684,111</u>	<u>5,931,380</u>	<u>7,921,443</u>	<u>11,398,459</u>	<u>14,007,697</u>	<u>13,569,557</u>
All Other Governmental Funds										
Restricted, reported in:										
Special revenue fund							834,480	788,039	809,456	800,925
Capital projects fund	(3,716)	544,886	(485,672)	1,854,173	192,564	142,642	241,973	9,580		
Debt service fund	869	971	520	26,102	31,251	5,149			1	1
Assigned, reported in:										
Capital projects fund		272,500								
Total all other governmental funds	<u>(2,847)</u>	<u>818,357</u>	<u>(485,152)</u>	<u>1,880,275</u>	<u>223,815</u>	<u>147,791</u>	<u>1,076,453</u>	<u>797,619</u>	<u>809,457</u>	<u>800,926</u>
Total Fund Balances	<u>\$ 3,438,385</u>	<u>\$ 4,287,117</u>	<u>\$ 3,813,170</u>	<u>\$ 6,223,820</u>	<u>\$ 4,907,926</u>	<u>\$ 6,079,171</u>	<u>\$ 8,997,896</u>	<u>\$ 12,196,078</u>	<u>\$ 14,817,154</u>	<u>\$ 14,370,483</u>

Source: District records

(1) - Fund Balances at June 30, 2020 have been restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 49,202,754	\$ 50,616,351	\$ 51,926,950	\$ 52,827,642	\$ 53,958,048	\$ 55,306,997	\$ 56,632,389	\$ 57,723,969	\$ 58,572,949	\$ 58,337,104
Tuition Charges	379,708	345,984								
Interest Earnings	12,573	12,684								
Miscellaneous	209,914	267,794	1,169,933	1,160,817	1,197,361	1,370,715	2,168,550	3,432,893	3,965,298	5,771,619
State Sources	7,408,709	6,809,259	7,367,594	8,830,390	10,380,557	12,024,517	12,375,448	14,114,885	19,277,982	19,461,309
Federal Sources	732,776	759,805	820,747	892,991	890,525	928,610	984,799	1,026,276	1,492,442	1,923,955
Total Revenues	57,946,434	58,811,877	61,285,224	63,711,840	66,426,491	69,630,839	72,161,186	76,298,023	83,308,671	85,493,987
Expenditures										
Instruction										
Regular Instruction	19,240,020	19,926,862	27,563,772	29,024,367	30,274,458	32,157,939	31,432,628	32,557,490	34,432,030	36,287,509
Special Education Instruction	2,241,351	2,794,832	6,999,967	7,528,240	7,914,188	6,780,956	7,971,295	7,886,542	6,293,727	6,444,355
Other Instruction			214,899	274,143	366,709	383,047	133,559	126,347	10,344	246,693
School Sponsored Activities and Athletics	2,052,440	1,980,532	2,713,609	2,851,148	3,144,961	3,083,755	3,289,334	4,055,923	3,830,234	6,904,129
Support Services										
Tuition	3,954,180	4,339,032								
Student and Inst. Related Services	6,252,773	6,096,964	7,841,390	7,929,546	8,226,288	8,214,741	10,151,191	11,255,559	14,052,818	14,558,702
School Administration Services	2,550,169	2,642,592	3,825,645	4,002,277	3,849,880	4,245,254	2,883,823	3,033,738	3,337,187	3,204,377
General Administration Services	1,833,043	1,587,750	1,272,702	1,122,811	1,366,951	1,178,650	1,586,057	1,576,827	1,634,071	1,730,671
Business and Other Support Services			914,227	878,093	924,383	1,023,959	1,172,045	1,138,301	2,524,044	2,396,318
Plant Operations And Maintenance	4,325,075	4,176,152	4,833,781	5,251,786	5,163,571	5,641,330	5,018,258	4,963,208	6,407,600	6,387,153
Pupil Transportation	1,597,668	1,587,075	1,602,455	1,697,256	1,723,740	2,010,397	1,627,222	1,270,749	2,499,246	3,816,170
Other Support Services										
Unallocated Employee Benefits	12,056,282	10,925,005								
Transfer of Funds to Charter Schools	50,953	18,339								
Capital Outlay	600,762	190,616	1,258,138	10,544,861	2,332,190	965,238	8,603,056	1,320,275	2,212,367	1,966,593
Debt Service										
Principal	1,465,000	1,540,000	1,615,000	1,795,560	1,810,396	2,220,985	2,748,859	3,385,190	3,165,878	1,620,300
Interest and Other Charges	711,288	642,297	569,535	607,912	711,248	537,006	550,558	614,810	288,049	377,688
Total Expenditures	58,931,004	58,448,048	61,225,120	73,508,000	67,808,963	68,443,257	77,167,885	73,184,959	80,687,595	85,940,658
Excess (Deficiency) of Revenues Over (Under) Expenditures	(984,570)	363,829	60,104	(9,796,160)	(1,382,472)	1,187,582	(5,006,699)	3,113,064	2,621,076	(446,671)
Other Financing Sources (Uses)										
Proceeds from Borrowing				11,707,000						
Capital Leases (Non-Budgeted)				412,490			5,263,500			
Premium on Leases							815,361			
Foundation Contribution							165,000			
Proceeds from Refunding				7,862,649						
Payments to Escrow Agent				(7,747,877)						
N.J. Economic Development Authority Gr.	(23,221)	484,902						(1,000)		
Transfers in	279,371	336,720		500,345	102,374	10,353	1,600,000	287,823	9,580	
Transfers Out	(279,371)	(336,720)	(49,148)	(527,797)	(35,796)	(26,690)	(800,000)	(201,705)	(9,580)	-
Total Other Financing Sources (Uses)	(23,221)	484,902	(49,148)	12,206,810	66,578	(16,337)	7,043,861	85,118	-	-
Net Change in Fund Balances	\$ (1,007,791)	\$ 848,731	\$ 10,956	\$ 2,410,650	\$ (1,315,894)	\$ 1,171,245	\$ 2,037,162	\$ 3,198,182	\$ 2,621,076	\$ (446,671)
Debt Service as a Percentage of Noncapital Expenditures	3.73%	3.75%	3.64%	3.82%	3.85%	4.09%	4.81%	5.57%	4.40%	2.38%

* Noncapital expenditures are total expenditures less capital outlay.

Note - The District did not allocate unallocated employee benefits and tuition prior to the fiscal year ended June 30, 2016.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>Summer School</u>	<u>Tuition</u>	<u>Interest</u>	<u>Gate Receipts</u>	<u>Rentals</u>	<u>Athletics and Activities Fees</u>	<u>Laptop Maintenance and Rentals</u>	<u>Sale of Assets</u>	<u>Unemployment Contributions</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 64,137	\$ 315,572	\$ 12,122	\$ 14,223	\$ 5,075	\$ 38,458				\$ 85,496	\$ 535,083
2015	9,913	336,071	12,163	17,680	11,105	90,275				4	477,211
2016	5,225	431,290	27,351	18,955	24,381	158,609	\$ 175,051	\$ 233,982		50,107	1,124,951
2017	6,650	529,884	26,575	25,890	15,828	138,238	267,986			32,005	1,043,056
2018	6,413	608,661	55,529	23,629	28,392	59,303	71,898	169,053		70,732	1,093,610
2019	2,612	702,675	165,758	21,972	11,642	92,839	163,487			126,963	1,287,948
2020	7,858	938,569	141,525		416,030	104,335	158,868			268,588	2,035,773
2021	13,775	1,087,237	103,820		483,959	93,006	151,719		\$ 193,957	497,851	2,625,324
2022	9,376	1,680,796	76,178		496,080	90,830	88,228			43,559	2,485,047
2023	5,462	2,203,715	380,872		519,727	104,750	164,553			357,852	3,736,931

Source: School District's Records

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)**

Closter Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 21,831,400	\$ 1,799,979,800	\$ 4,572,100	\$ 219,295,200	\$ 19,545,700	\$ 959,600	\$ 2,066,183,800	\$ 100,000	\$ 2,066,283,800	\$ 2,030,585,074	\$ 0.520
2015	20,358,100	1,805,323,200	4,572,100	216,624,800	18,964,000	959,600	2,066,801,800	100,000	2,066,901,800	2,099,516,054	0.539
2016	19,884,100	1,816,990,700	4,642,700	216,412,100	18,964,000	959,600	2,077,853,200	100,000	2,077,953,200	2,129,915,670	0.553
2017	19,611,500	1,825,939,100	4,638,400	215,541,300	19,914,000	959,600	2,086,603,900	100,000	2,086,703,900	2,140,987,596	0.565
2018	18,196,800	1,884,747,100	5,062,100	237,104,000	21,569,100		2,166,679,100	100,000	2,166,779,100	2,168,261,971	0.544
2019	18,903,200	1,923,578,700	5,457,800	256,031,300	22,812,900		2,226,783,900	100,000	2,226,883,900	2,226,975,293	0.528
2020	18,627,800	1,956,453,700	5,572,500	265,247,800	23,968,500		2,269,870,300	100,000	2,269,970,300	2,293,283,498	0.525
2021	17,355,800	1,948,606,900	5,528,800	262,408,600	24,092,200		2,257,992,300	100,000	2,258,092,300	2,260,654,086	0.539
2022	17,045,800	2,049,815,100	5,737,800	293,427,400	44,225,600		2,410,251,700	100,000	2,410,351,700	2,399,639,232	0.523
2023	18,515,900	2,223,435,900	6,173,500	306,966,400	52,939,900		2,608,031,600	100,000	2,608,131,600	2,603,974,354	0.505

Demarest Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 14,578,200	\$ 1,213,910,800		\$ 36,920,200		\$ 1,350,000	\$ 1,266,759,200	\$ 88,910	\$ 1,266,848,110	\$ 1,425,536,144	\$ 0.551
2015	12,778,100	1,225,059,400		36,920,200		1,350,000	1,276,107,700	85,020	1,276,192,720	1,501,723,835	0.567
2016	12,763,100	1,240,829,500		36,920,200		1,350,000	1,291,862,800	85,020	1,291,947,820	1,516,882,756	0.575
2017	10,281,800	1,272,223,900		36,920,200		1,350,000	1,320,775,900	83,130	1,320,859,030	1,589,584,628	0.572
2018	10,281,800	1,284,770,200		36,920,200		1,350,000	1,333,322,200	83,130	1,333,405,330	1,602,178,919	0.602
2019	10,281,800	1,295,887,500		36,920,200		1,350,000	1,344,439,500	83,130	1,344,522,630	1,622,129,602	0.648
2020	10,281,800	1,306,164,300		36,920,200		1,350,000	1,354,716,300	81,710	1,354,798,010	1,658,936,268	0.682
2021	8,810,900	1,312,340,700		36,920,200		1,350,000	1,359,421,800	82,810	1,359,504,610	1,642,574,368	0.705
2022	11,144,600	1,316,741,700		23,455,600		1,350,000	1,352,691,900	82,810	1,352,774,710	1,666,396,297	0.728
2023	8,155,200	1,349,148,900		23,455,600		1,350,000	1,382,109,700	82,810	1,382,192,510	1,803,359,244	0.725

^a Tax rates are per \$100

Source: County Abstract of Ratables

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Harrington Park Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 12,498,400	\$ 855,446,400		\$ 28,221,900			\$ 896,166,700		\$ 896,166,700	\$ 940,449,312	\$ 0.576
2015	12,498,400	854,583,200		28,151,900			895,233,500		895,233,500	957,430,915	0.587
2016	12,498,400	856,178,500		27,192,100			895,869,000		895,869,000	977,108,511	0.591
2017	12,498,400	856,483,100		27,192,100			896,173,600		896,173,600	995,996,199	0.610
2018	12,498,400	856,504,400		27,192,100			896,194,900		896,194,900	993,808,185	0.610
2019	12,470,900	860,351,100		26,732,100			899,554,100		899,554,100	997,967,848	0.618
2020	12,470,900	859,526,400		30,473,600			902,470,900		902,470,900	1,020,306,460	0.631
2021	13,205,500	860,276,100		55,351,600			928,833,200		928,833,200	1,059,914,304	0.646
2022	13,205,500	859,723,150		67,926,700			940,855,350		940,855,350	1,106,039,202	0.636
2023	13,732,000	860,586,750		69,268,800			943,587,550		943,587,550	1,191,408,904	0.615

Haworth Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 15,027,000	\$ 683,331,400		\$ 94,794,900			\$ 793,153,300	\$ 571,705	\$ 793,725,005	\$ 927,314,313	\$ 0.691
2015	13,886,600	684,502,500		92,027,800			790,416,900	572,378	790,989,278	947,007,450	0.715
2016	12,288,800	688,316,600		91,150,400			791,755,800	581,033	792,336,833	938,535,971	0.721
2017	12,100,500	691,773,000		91,150,400			795,023,900	613,996	795,637,896	918,832,229	0.693
2018	12,041,100	699,524,400		91,125,400			802,690,900	584,214	803,275,114	937,029,912	0.674
2019	11,304,000	703,395,900		91,125,400			805,825,300	589,249	806,414,549	935,150,231	0.682
2020	10,346,000	709,836,000		84,689,800			804,871,800	589,673	805,461,473	935,052,600	0.699
2021	11,949,300	716,453,100		82,831,200			811,233,600	592,673	811,826,273	944,901,562	0.694
2022	11,684,300	721,570,400		83,127,000			816,381,700	572,451	816,954,151	987,597,998	0.701
2023	11,962,000	729,587,600		83,349,300			824,898,900	-	824,898,900	1,041,560,538	0.707

^a Tax rates are per \$100

Source: County Abstract of Ratables

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)**

Northvale Borough											
Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 10,277,900	\$ 575,935,300		\$ 77,344,700	\$ 187,827,700		\$ 851,385,600	\$ 908,803	\$ 852,294,403	\$ 923,036,029	\$ 0.634
2015	10,049,700	576,016,200		81,420,700	186,088,200		853,574,800	908,803	854,483,603	913,012,611	0.639
2016	10,641,100	576,988,300		81,392,200	185,749,300		854,770,900	908,803	855,679,703	947,649,798	0.636
2017	9,122,000	579,726,300		81,214,600	185,541,400		855,604,300	908,803	856,513,103	937,826,702	0.657
2018	9,122,000	581,350,700		81,256,200	185,541,400		857,270,300	908,803	858,179,103	981,568,465	0.687
2019	11,071,200	590,031,600		81,313,300	183,330,100		865,746,200	908,803	866,655,003	1,007,436,738	0.702
2020	9,479,800	595,688,700		81,272,000	175,972,000		862,412,500	908,803	863,321,303	1,010,414,027	0.706
2021	9,727,700	596,193,900		87,977,300	171,472,000		865,370,900	908,803	866,279,703	989,031,798	0.687
2022	7,954,700	601,743,900		87,826,900	172,280,400		869,805,900	908,803	870,714,703	1,045,562,121	0.669
2023	6,912,200	605,734,400		80,795,800	180,264,500		873,706,900	908,803	874,615,703	1,090,738,075	0.678

Norwood Borough											
Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 7,059,100	\$ 987,504,100	\$ 44,300	\$ 70,643,900	\$ 97,495,300	\$ 16,500,000	\$ 1,179,246,700		\$ 1,179,246,700	\$ 1,225,344,833	\$ 0.556
2015	6,850,100	988,459,100	44,300	71,289,200	97,395,300	16,500,000	1,180,538,000		1,180,538,000	1,240,810,250	0.567
2016	11,878,400	990,623,100	44,300	69,189,200	97,173,900	16,500,000	1,185,408,900		1,185,408,900	1,291,038,163	0.604
2017	8,763,400	996,442,100	44,300	65,125,900	97,167,600	16,500,000	1,184,043,300		1,184,043,300	1,298,979,351	0.611
2018	8,213,100	999,496,800	44,300	63,525,800	96,999,600	16,500,000	1,184,779,600		1,184,779,600	1,274,815,010	0.617
2019	8,991,100	1,000,494,000	44,300	82,870,900	100,799,100	16,500,000	1,209,699,400		1,209,699,400	1,305,700,439	0.621
2020	8,555,900	1,003,243,300	44,300	81,331,300	95,983,200	16,500,000	1,205,658,000		1,205,658,000	1,300,794,605	0.641
2021	6,244,400	1,008,455,300	44,300	82,173,500	95,983,200	16,500,000	1,209,400,700		1,209,400,700	1,317,628,166	0.658
2022	7,502,500	1,013,979,700	44,300	88,605,100	99,977,000	16,500,000	1,226,608,600		1,226,608,600	1,349,485,012	0.663
2023	5,658,500	1,019,321,500	44,300	91,382,800	99,977,000	22,597,600	1,238,981,700		1,238,981,700	1,444,466,079	0.673

^a Tax rates are per \$100

Source: County Abstract of Ratables

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)**

Old Tappan Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 43,661,000	\$ 1,594,422,600	\$ 373,800	\$ 80,435,200		\$ 698,100	\$ 1,719,590,700	\$ 1,156,788	\$ 1,720,747,488	\$ 1,708,954,754	\$ 0.557
2015	43,312,500	1,599,653,900	373,800	80,399,200		698,100	1,724,437,500	1,190,284	1,725,627,784	1,733,909,301	0.570
2016	40,450,900	1,606,134,700	373,800	80,545,500		2,817,100	1,730,322,000	1,149,128	1,731,471,128	1,721,634,054	0.570
2017	39,118,600	1,609,983,000	373,800	80,256,200		2,817,100	1,732,548,700	1,117,527	1,733,666,227	1,765,955,122	0.589
2018	37,566,000	1,619,099,500	373,800	80,256,200		2,817,100	1,740,112,600	1,117,699	1,741,230,299	1,769,692,974	0.617
2019	37,375,800	1,612,161,900	373,800	80,256,200		2,817,100	1,732,984,800	1,128,230	1,734,113,030	1,748,800,451	0.627
2020	35,410,500	1,605,531,900	373,800	80,256,200		9,176,500	1,730,748,900	1,141,337	1,731,890,237	1,747,913,050	0.629
2021	34,618,500	1,617,168,200	373,800	62,970,400		8,955,400	1,724,086,300	1,146,335	1,725,232,635	1,742,930,480	0.628
2022	34,058,800	1,618,414,500	373,800	63,280,600		10,305,400	1,726,433,100	1,118,587	1,727,551,687	1,786,278,833	0.598
2023	33,478,500	1,650,580,500	373,800	63,280,600		10,305,400	1,758,018,800	1,047,290	1,759,066,090	1,978,227,409	0.559

a Tax rates are per \$100

Source: County Abstract of Ratables

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Closter Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2014	\$ 0.520	\$ 0.535	\$ 0.844	\$ 0.230	\$ 2.129
2015	0.539	0.547	0.860	0.244	2.190
2016	0.553	0.559	0.875	0.252	2.239
2017	0.565	0.569	0.890	0.258	2.282
2018	0.544	0.556	0.881	0.245	2.226
2019	0.528	0.555	0.889	0.245	2.217
2020	0.525	0.561	0.904	0.251	2.241
2021	0.539	0.578	0.934	0.253	2.304
2022	0.523	0.554	0.894	0.241	2.212
2023	0.505	0.548	0.852	0.239	2.144

Source: Municipal Tax Collector

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Demarest Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2014	\$ 0.551	\$ 0.551	\$ 0.995	\$ 0.263	\$ 2.360
2015	0.567	0.562	1.000	0.283	2.412
2016	0.575	0.565	1.016	0.289	2.445
2017	0.572	0.566	1.044	0.302	2.484
2018	0.602	0.562	1.087	0.294	2.545
2019	0.648	0.573	1.110	0.295	2.626
2020	0.682	0.593	1.125	0.304	2.704
2021	0.705	0.618	1.143	0.303	2.769
2022	0.728	0.630	1.184	0.297	2.839
2023	0.725	0.670	1.218	0.305	2.918

Source: Municipal Tax Collector

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Harrington Park Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2014	\$ 0.576	\$ 0.554	\$ 1.218	\$ 0.245	\$ 2.593
2015	0.587	0.555	1.255	0.257	2.654
2016	0.591	0.568	1.295	0.268	2.722
2017	0.610	0.582	1.330	0.280	2.802
2018	0.610	0.595	1.355	0.272	2.832
2019	0.618	0.608	1.389	0.270	2.885
2020	0.631	0.624	1.412	0.280	2.947
2021	0.646	0.639	1.398	0.277	2.960
2022	0.636	0.653	1.408	0.284	2.981
2023	0.615	0.686	1.428	0.302	3.031

Source: Municipal Tax Collector

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Haworth Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2014	\$ 0.691	\$ 0.714	\$ 1.074	\$ 0.273	\$ 2.752
2015	0.715	0.729	1.063	0.288	2.795
2016	0.721	0.756	1.149	0.284	2.910
2017	0.693	0.772	1.128	0.290	2.883
2018	0.674	0.771	1.136	0.286	2.867
2019	0.682	0.782	1.164	0.283	2.911
2020	0.699	0.795	1.137	0.288	2.919
2021	0.694	0.809	1.150	0.291	2.944
2022	0.701	0.820	1.166	0.292	2.979
2023	0.707	0.841	1.192	0.302	3.042

Source: Municipal Tax Collector

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Northvale Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2014	\$ 0.634	\$ 0.663	\$ 1.023	\$ 0.253	\$ 2.573
2015	0.639	0.696	1.041	0.257	2.633
2016	0.636	0.709	1.059	0.272	2.676
2017	0.657	0.722	1.083	0.274	2.736
2018	0.687	0.765	1.108	0.280	2.840
2019	0.702	0.811	1.129	0.283	2.925
2020	0.706	0.865	1.173	0.288	3.032
2021	0.687	0.880	1.175	0.284	3.026
2022	0.669	0.877	1.184	0.290	3.020
2023	0.678	0.922	1.195	0.298	3.093

Source: Municipal Tax Collector

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Norwood Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2014	\$ 0.556	\$ 0.662	\$ 0.794	\$ 0.243	\$ 2.255
2015	0.567	0.671	0.790	0.253	2.281
2016	0.604	0.682	0.820	0.268	2.374
2017	0.611	0.690	0.855	0.274	2.430
2018	0.617	0.708	0.854	0.263	2.442
2019	0.621	0.707	0.854	0.262	2.444
2020	0.641	0.721	0.891	0.264	2.517
2021	0.658	0.729	0.914	0.274	2.575
2022	0.663	0.737	0.918	0.266	2.584
2023	0.673	0.751	0.942	0.279	2.645

Source: Municipal Tax Collector

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Old Tappan Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2014	\$ 0.557	\$ 0.292	\$ 0.790	\$ 0.232	\$ 1.871
2015	0.570	0.305	0.805	0.242	1.922
2016	0.570	0.316	0.822	0.245	1.953
2017	0.589	0.325	0.835	0.256	2.005
2018	0.617	0.332	0.823	0.249	2.021
2019	0.627	0.340	0.850	0.246	2.063
2020	0.629	0.340	0.873	0.250	2.092
2021	0.628	0.347	0.894	0.254	2.123
2022	0.598	0.355	0.926	0.249	2.128
2023	0.559	0.364	0.962	0.269	2.154

Source: Municipal Tax Collector

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Fiscal Year Ended June 30,	Closter Borough			
	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Closter Marketplace (EBA) LLC	\$ 74,218,800	2.85%		
Irani-Aspi-Closter Plaza Met.			\$ 31,500,000	1.52%
Railroad Avenue Real Estate Holdings, LL	22,398,800	0.86%		
50 Railroad LLC	12,299,100	0.47%		
Closter Grocery	9,041,800	0.35%	8,645,300	0.42%
Capital Young Property LLC			7,667,600	0.37%
Heidenberg Closter Assoc.	8,825,500	0.34%	7,368,000	0.36%
Reuten Associates	8,150,800	0.31%	4,581,700	0.22%
Closter Golf, Inc	7,987,800	0.31%	6,999,700	0.34%
DWL Monmouth			4,553,500	0.22%
Fred Reuten, Inc.	7,872,500	0.30%	4,492,400	0.22%
Nippon Express USA, Inc.	6,053,600	0.23%		
Suez C/O Altus Group	5,891,200	0.23%	5,891,200	0.29%
BR NJ LLC			4,167,400	0.20%
Total	\$ 162,739,900	5.78%	\$ 85,866,800	4.16%

Source: Municipal Tax Assessor

Fiscal Year Ended June 30,	Demarest Borough			
	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Alpine Country Club	\$ 20,000,000	1.45%	\$ 32,323,800	2.55%
Lavie Management Company, LLC	4,232,600	0.31%		
Pranaitis, Jeffrey & Kimberly Corp.			3,768,400	0.30%
Individual Taxpayer #1	3,598,200	0.26%	4,220,100	0.33%
Individual Taxpayer #2	3,550,000	0.26%	3,598,200	0.28%
Individual Taxpayer #3	3,359,400	0.24%	3,532,000	0.28%
Individual Taxpayer #4	3,330,600	0.24%	3,330,600	0.26%
Individual Taxpayer #5	3,250,000	0.24%	3,107,800	0.25%
Individual Taxpayer #6	3,200,000	0.23%	3,000,000	0.24%
Individual Taxpayer #7	3,178,800	0.23%	2,966,500	0.23%
Individual Taxpayer #8	3,177,000	0.23%	2,925,800	0.23%
Total	\$ 50,876,600	3.68%	\$ 62,773,200	4.96%

Source: Municipal Tax Assessor

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Fiscal Year Ended June 30,	Harrington Park Borough			
	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
The Allegro at Harrington Park, LLC	\$ 53,000,000	5.62%		
Suez United Water c/o Altus Group	10,526,000	1.12%		
United Water Resources			\$ 20,784,500	2.32%
Quantmeyer	3,088,700	0.33%		
Rockland Electric Co.	2,681,800	0.28%	2,681,800	0.30%
76 Scralenburgh Rd., LLC			2,312,400	0.26%
100 Harrington LLC	2,200,000	0.23%		
Red Pin Properties LLC	1,440,000	0.15%		
Individual Taxpayer #1	1,379,900	0.15%	3,713,600	0.41%
Individual Taxpayer #2	1,200,000	0.13%	1,168,400	0.13%
Individual Taxpayer #3	1,159,900	0.12%	1,473,500	0.16%
Individual Taxpayer #4	1,155,200	0.12%	1,389,800	0.16%
Individual Taxpayer #5			1,315,100	0.15%
Individual Taxpayer #6			1,203,000	0.13%
Individual Taxpayer #7			1,182,300	0.13%
Total	\$ 77,831,500	8.25%	\$ 37,224,400	3.74%

Source: Municipal Tax Assessor

Fiscal Year Ended June 30,	Haworth Borough			
	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Suez C/O Altus Group US, Inc	\$ 51,789,000	6.28%	\$ 51,789,000	6.52%
Haworth Country Club	18,000,000	2.18%	14,002,500	1.76%
White Beeches Golf Club	9,000,000	1.09%	10,479,100	1.32%
Haworth Country Club			9,997,500	1.26%
White Beached Realty Corp.			5,462,100	0.69%
Individual Taxpayer #1	2,207,500	0.27%	2,036,800	0.26%
Lakeshore Estates, LLC	1,825,000	0.22%		
Individual Taxpayer #2	1,707,600	0.21%	1,859,800	0.23%
Individual Taxpayer #3	1,564,600	0.19%	1,651,200	0.21%
Terrace Street Holding Co.			1,621,900	0.20%
Individual Taxpayer #4	1,553,800	0.19%	1,553,800	0.20%
Individual Taxpayer #5	1,514,900	0.18%		
Individual Taxpayer #4	1,505,000	0.18%		
Total	\$ 90,667,400	10.99%	\$ 100,453,700	12.66%

Source: Municipal Tax Assessor

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Fiscal Year Ended June 30,	Northvale Borough			
	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Maxim Enterprises, LLC	\$ 22,229,600	2.54%	\$ 26,729,600	3.14%
251 Union Holdings, LLC	11,800,000	1.35%		
MEM Union Street Assoc.			12,711,200	1.49%
Northvale Shopping Center Assoc.	9,504,700	1.09%	9,504,700	1.12%
GEA Mechanical Equipment	7,268,700	0.83%	7,268,700	0.85%
PR II EXR Northvale NJ, LLC	6,881,100	0.79%		
Cho Dae Presbyterian Church			6,120,200	0.72%
Northvale Holding Co. LLC	6,094,000	0.70%	6,094,000	0.72%
255-257 Union Street Northvale LLC	6,000,000	0.69%		
Ludlow Realty, LLC	5,659,800	0.65%		
Landvale Realty LLC C/O Utmost Mngt	5,492,300	0.63%		
Northvale 1997 & 2005 Assoc.			5,492,300	0.64%
Roselle Costa			6,252,400	0.73%
Klaus Rexroth Incorporated	5,466,900	0.63%	5,466,900	0.64%
Northvale Tire Tech Center LP			5,289,200	0.62%
Total	\$ 80,930,200	9.25%	\$ 90,929,200	10.67%

Source: Municipal Tax Assessor

Fiscal Year Ended June 30,	Norwood Borough			
	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
SHP VI Norwood LLC	\$ 22,385,100	1.81%		
Buckingham at Norwood Real Estate	21,337,400	1.72%	\$ 23,000,000	1.95%
Norwood Associates II, LLC	16,500,000	1.33%	16,500,000	1.40%
525 Livingston DFT 2017 LLC	11,870,500	0.96%		
335 Chestnut Street LLC	9,188,200	0.74%		
Alfred Sanzari			7,559,600	0.64%
Norwood Income Fund LLC	7,419,100	0.60%		
Livingston 535			#####	0.54%
Norwood Projist, LLC			#####	0.54%
Life Storage LP	6,310,900	0.51%		
445 Property Company LLC NJ ETAL	6,097,600	0.49%		
355 Chestnut Street LLC	5,024,000	0.41%	5,499,600	0.47%
Wnpak Control Group, Inc.	4,199,900	0.34%		
Levingal Realty			4,199,900	0.36%
Aisan Realty			3,647,600	0.31%
Individual Taxpayer #1			3,602,200	0.31%
Mitsui Foods			3,314,100	0.28%
Total	\$ 110,332,700	7.10%	\$ 80,034,600	6.79%

Source: Municipal Tax Assessor

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Fiscal Year Ended June 30,	Old Tappan Borough			
	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
United Water NJ	\$ 26,460,000	1.50%	\$ 26,460,000	1.54%
Prentice Hall			19,000,000	1.10%
SZR Old Tappan Assisted Living	10,860,800	0.62%	10,860,800	0.63%
A&R, A LTD Ptnr.	9,869,000	0.56%	9,869,000	0.57%
A&R, A LTD Ptnr.	7,227,800	0.41%	7,727,800	0.45%
200 OTR LLC; HRP Construction	4,550,500	0.26%		
JP Morgan Chase Bank Nat'l Assoc.				
Individual Taxpayer #1	2,500,000	0.14%	3,924,000	0.23%
Individual Taxpayer #2	3,000,000	0.17%	3,400,000	0.20%
Individual Taxpayer #3	2,960,000	0.17%	3,230,700	0.19%
MCH-OT Realty LLC	2,809,800	0.16%	2,809,800	0.16%
Individual Taxpayer #4	2,606,300	0.15%	2,889,900	0.17%
Total	<u>\$ 72,844,200</u>	<u>3.99%</u>	<u>\$ 90,172,000</u>	<u>5.24%</u>

Source: Municipal Tax Assessor

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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	Percentag e of Levy	
2014	\$ 49,202,754	\$ 49,202,754	100.00%	
2015	50,616,351	50,616,351	100.00%	
2016	51,926,950	51,926,950	100.00%	
2017	52,827,642	52,827,642	100.00%	
2018	53,958,048	53,958,048	100.00%	
2019	55,306,997	55,306,997	100.00%	
2020	56,632,389	56,632,389	100.00%	
2021	57,723,969	57,723,969	100.00%	
2022	58,572,949	58,572,949	100.00%	
2023	58,337,103	58,337,103	100.00%	

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Financed Purchases</u>			
2014	\$ 14,630,000		\$ 14,630,000	\$ 38,170	\$ 383
2015	13,090,000		13,090,000	38,300	342
2016	11,475,000		11,475,000	38,330	299
2017	21,167,000	\$ 316,930	21,483,930	38,414	559
2018	19,427,000	246,534	19,673,534	38,264	514
2019	17,282,000	170,549	17,452,549	38,147	458
2020	15,052,000	4,915,190	19,967,190	37,896	527
2021	12,727,000	3,855,000	16,582,000	37,873	438
2022	10,352,000	3,580,000	13,932,000	37,942	367
2023	9,097,000	3,295,000	12,392,000	37,942 A	327

A - Estimate

Source: District records

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)**

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2014	\$14,630,000		\$ 14,630,000	0.17%	\$ 383
2015	13,090,000		13,090,000	0.15%	342
2016	11,475,000	\$ 520	11,474,480	0.13%	299
2017	21,167,000	26,102	21,140,898	0.24%	550
2018	19,427,000	31,251	19,395,749	0.22%	507
2019	17,282,000	5,149	17,276,851	0.19%	453
2020	15,052,000		15,052,000	0.16%	397
2021	12,727,000		12,727,000	0.14%	336
2022	10,352,000	1	10,351,999	0.11%	273
2023	9,097,000	1	9,096,999	0.09%	240

Source: District records

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Local School Purposes	\$ 10,687,479	\$ 10,678,479	
Regional School Purposes	8,635,583	8,635,583	
Municipal/County General Obligations	<u>82,358,433</u>	<u>2,314,261</u>	<u>\$ 80,044,172</u>
	<u>\$ 101,681,495</u>	<u>\$ 21,628,323</u>	80,044,172
Bergen County			
County of Bergen (A)			51,882,667
Bergen County Utilities Authority (B)			<u>9,562,297</u>
			<u>61,444,964</u>
Total Direct and Overlapping Debt			<u>\$ 141,489,136</u>

Source:

(1) Seven (7) Municipalities 2022 Annual Debt Statement

(A) The debt for this entity was apportioned to the seven (7) municipalities by dividing the municipalities 2021 equalized value by the total 2022 equalized value for Bergen County relating to the seven (7) municipalities.

(B) The debt was computed based upon usage for all seven (7) municipalities.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt Limit	\$ 279,854,050	\$ 278,038,974	\$ 280,932,046	\$ 283,847,535	\$ 286,910,594	\$ 290,107,166	\$ 293,919,487	\$ 296,196,515	\$ 301,049,164	\$ 312,788,835
Total Net Debt Applicable to Limit	<u>14,630,000</u>	<u>13,090,000</u>	<u>23,182,485</u>	<u>21,167,485</u>	<u>19,427,485</u>	<u>17,282,485</u>	<u>15,052,485</u>	<u>12,727,000</u>	<u>10,351,999</u>	<u>9,096,999</u>
Legal Debt Margin	<u>\$ 265,224,050</u>	<u>\$ 264,948,974</u>	<u>\$ 257,749,561</u>	<u>\$ 262,680,050</u>	<u>\$ 267,483,109</u>	<u>\$ 272,824,681</u>	<u>\$ 278,867,002</u>	<u>\$ 283,469,515</u>	<u>\$ 290,697,165</u>	<u>\$ 303,691,836</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Lin	5.23%	4.71%	8.25%	7.46%	6.77%	5.96%	5.12%	4.30%	3.44%	2.91%

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized Valuation Basis	
	2022 \$ 11,129,143,058
	2021 10,260,849,163
	2020 <u>9,888,891,237</u>
	<u>\$ 31,278,883,458</u>
	3 Year Average <u>\$ 10,426,294,486</u>
3% of Avg. Equalized Valuation	\$ 312,788,835
Less Net Debt	<u>9,096,999</u>
Remaining Borrowing Power	<u>\$ 303,691,836</u>

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation for all seven (7) municipalities

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

Closter Borough			
<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2014	4.5%	\$ 73,883	8,591
2015	3.7%	77,323	8,593
2016	3.2%	78,836	8,605
2017	3.0%	81,024	8,619
2018	2.9%	85,191	8,548
2019	2.5%	88,241	8,512
2020	7.8%	91,972	8,446
2021	4.9%	97,343	8,521
2022	3.0%	N/A	8,514
2023	N/A	N/A	8,514 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) County Per Capital Personal Income
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

Demarest Borough

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2014	4.1%	\$ 73,883	4,991
2015	3.4%	77,323	4,999
2016	2.9%	78,836	4,956
2017	2.6%	81,024	4,961
2018	2.3%	85,191	4,925
2019	2.2%	88,241	4,895
2020	6.7%	91,972	4,838
2021	4.3%	97,343	4,887
2022	2.6%	N/A	4,873
2023	N/A	N/A	4,873 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) County Per Capital Personal Income
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

Harrington Park Borough

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2014	4.8%	\$ 73,883	4,746
2015	3.7%	77,323	4,763
2016	3.4%	78,836	4,751
2017	3.2%	81,024	4,764
2018	2.9%	85,191	4,743
2019	2.3%	88,241	4,729
2020	7.6%	91,972	4,693
2021	4.6%	97,343	4,963
2022	2.9%	N/A	4,954
2023	N/A	N/A	4,954 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) County Per Capital Personal Income
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

Haworth Borough

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2014	4.0%	73,883	3,415
2015	3.3%	77,323	3,417
2016	3.1%	78,836	3,416
2017	2.7%	81,024	3,430
2018	2.4%	85,191	3,414
2019	2.3%	88,241	3,393
2020	6.7%	91,972	3,374
2021	4.6%	97,343	3,309
2022	2.4%	N/A	3,313
2023	N/A	N/A	3,313 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) County Per Capital Personal Income
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

Northvale Borough

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2014	4.3%	\$ 73,883	4,723
2015	4.2%	77,323	4,771
2016	3.6%	78,836	4,860
2017	3.2%	81,024	4,885
2018	2.8%	85,191	4,895
2019	2.6%	88,241	4,920
2020	8.1%	91,972	4,923
2021	5.3%	97,343	4,762
2022	3.1%	N/A	4,759
2023	N/A	N/A	4,759 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) County Per Capital Personal Income
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

Norwood Borough

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2014	5.2%	\$ 73,883	5,801
2015	4.0%	77,323	5,817
2016	3.4%	78,836	5,807
2017	3.6%	81,024	5,813
2018	3.0%	85,191	5,809
2019	2.6%	88,241	5,796
2020	7.8%	91,972	5,752
2021	5.0%	97,343	5,595
2022	3.0%	N/A	5,700
2023	N/A	N/A	5,700 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) County Per Capital Personal Income
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

Old Tappan Borough

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2014	4.1%	\$ 73,883	5,903
2015	3.6%	77,323	5,940
2016	3.1%	78,836	5,935
2017	3.0%	81,024	5,942
2018	2.8%	85,191	5,930
2019	2.1%	88,241	5,902
2020	7.3%	91,972	5,870
2021	4.7%	97,343	5,836
2022	2.7%	N/A	5,829
2023	N/A	N/A	5,829 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) County Per Capital Personal Income
(A) Estimate

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

INFORMATION NOT AVAILABLE

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 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	185	185	190.0	190.0	190.0	180.0	187.0	176.0	188.0	186.0
Special Education	26	26	31.0	28.0	28.0	26.0	27.0	56.0	46.0	33.0
Support Services:										
Student & Instruction-Related Services	22	22	22.0	22.0	22.0	23.0	26.0	35.0	36.0	64.0
School Administration Services	12	12	12.0	9.0	7.0	8.0	8.0	8.0	8.0	8.0
General Administration Services	5	5	5.4	4.0	4.0	5.0	5.0	5.0	5.0	5.0
Central Services/Administrative	21	21		22.0	22.0	25.0	22.0	41.0	45.0	39.0
Plant Operations and Maintenance	29	29	29.0	31.0	31.0	31.0	30.0	32.0	35.0	28.0
Pupil Transportation	2	2	2.0	2.0	2.0	2.0	2.0	2.0	1.0	0.5
Child Care	1	1		2.0	2.0	2.0	2.0	-	4.0	4.0
Regional Special Education/Valley Regional	64	64		63.0	63.0	67.0	65.0	168.0	148.0	166.5
Regional Transportation	<u>2</u>	<u>2</u>	<u>21.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.5</u>
Total	<u>369</u>	<u>369</u>	<u>312.4</u>	<u>375.0</u>	<u>373.0</u>	<u>371.0</u>	<u>376.0</u>	<u>524.0</u>	<u>517.0</u>	<u>534.5</u>

The data in 2021 through 2023 reflects positions not reported in prior years primarily Teachers Aides and other support staff for comparative purposes. All data prior to 2021 is unchanged.

Source: District Personnel Records

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						High School					
2014	2,586	\$ 56,153,954	\$ 21,715	2.00%	282	9.2		2,575	2,493	3.79%	96.82%
2015	2,291	56,075,135	24,476	12.72%	282	8.1		2,334	2,242	-9.36%	96.06%
2016	2,504	57,782,447	23,076	-5.72%	221	10.4		2,285	2,204	-2.10%	96.43%
2017	2,462	60,559,667	24,598	6.59%	218	11.3		2,448	2,347	7.13%	95.87%
2018	2,467	62,955,129	25,519	3.74%	218	11.3		2,255	2,170	-7.88%	96.23%
2019	2,390	64,720,028	27,080	6.12%	206	10.5		2,171	2,088	-3.73%	96.18%
2020	2,326	65,265,412	28,059	3.62%	214	10.9		2,121	2,064	-2.30%	97.31%
2021	2,236	67,864,684	30,351	8.17%	205	10.9		2,111	1,999	-0.47%	94.69%
2022	2,207	75,021,301	33,992	12.00%	213	10.4		2,327	2,205	9.71%	94.76%
2023	2,167	81,976,077	37,829	11.29%	219	9.9		2,362	2,244	11.89%	95.00%

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Northern Valley Regional High School District</u>										
Demarest High School (1950) (2004)										
Square Feet	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	203,692
Capacity (students)	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234
Enrollment	1,070	1,032	1,046	1,018	1,018	1,018	959	949	973	978
<u>Northern Valley Regional High School District</u>										
Old Tappan High School (1950) (2004)										
Square Feet	177,800	177,800	177,800	177,800	177,800	177,800	177,800	177,800	177,800	245,882
Capacity (students)	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349
Enrollment	1,293	1,259	1,251	1,233	1,244	1,244	1,166	1,095	1,041	1,002
<u>Northern Valley Regional High School District</u>										
Northern Valley Central (1961)										
Square Feet							27,610	27,610	27,610	34,000
Capacity (students)							173	173	173	173
Enrollment							201	192	193	187
<u>Central Administration (1981)</u>										
Square Feet	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	5,588

Number of Schools at June 30, 2023

 Elementary = 0

 Middle School = 0

 Senior High School = 2

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

**NORTHRN VALLEY REGIONAL HIGH SCHOOL
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(Unaudited)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>School Facilities</u>										
Demarest High School	\$ 240,326	\$ 256,987	\$ 236,628	\$ 239,918	\$ 214,053	\$ 202,481	\$ 341,194	\$ 344,320	\$ 409,497	\$ 424,616
Old Tappan High School	211,866	273,611	244,544	240,646	160,365	209,488	324,610	364,318	300,812	294,644
John J. Haworth Administration Building	<u>5,767</u>	<u>3,749</u>	<u>6,015</u>	<u>6,016</u>	<u>7,012</u>	<u>4,314</u>	<u>5,559</u>	<u>12,838</u>	<u>143,483</u>	<u>19,034</u>
Grand Total	<u>\$ 457,959</u>	<u>\$ 534,347</u>	<u>\$ 487,187</u>	<u>\$ 486,580</u>	<u>\$ 381,430</u>	<u>\$ 416,283</u>	<u>\$ 671,363</u>	<u>\$ 721,476</u>	<u>\$ 853,792</u>	<u>\$ 738,294</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
<u>New Jersey Schools Insurance Group:</u>		
Multi Peril Package Policy:		
Commercial General Liability	\$ 16,000,000	
Employee Dishonesty	1,000,000	\$ 1,000
Automobile Liability	16,000,000	
Electronic Data Processing	500,000,000	1,000
School Leaders Errors & Omissions Liability	16,000,000	15,000
 <u>NJ Schools Ins. Group</u>		
Property- Blanket Building and Contents (Insured Value) - Includes Energy Systems	139,853,900	5,000
Excess Umbrella Liability	16,000,000	
Hudson Insurance Companies	10,000,000	
Allied Insurance Company	10,000,000	
 <u>Great American Insurance Company</u>		
Excess Umbrella Liability	10,000,000	
 <u>Beazley/Lloyds Syndicates</u>		
Environment Pollution Liability Policy	1,000,000	10,000

Source: District Records

Single Audit Section

**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 Auditors' Report

**The Honorable President and Members
of the Board of Education
Northern Valley Regional High School District
County of Bergen
Demarest, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Northern Valley Regional High School District, in the County of Bergen, New Jersey (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 21, 2023.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be

material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 the 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
November 21, 2023



Gary W. Higgins, CPA
Licensed Public School Accountant, No. 814

**Report on Compliance For Each Major Federal and State Program and
on Internal Control Over Compliance Required by the
Uniform Guidance and New Jersey OMB Circular 15-08**

Independent Auditors' Report

**The Honorable President and Members
of the Board of Education
Northern Valley Regional High School District
County of Bergen
Demarest, New Jersey**

Report on Compliance for Each Major Program Federal and State Program

We have audited the Northern Valley Regional High School District's, in the County of Bergen, New Jersey (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2023. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal

and state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our unmodified opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the District's compliance.

Unmodified Opinion on Major Federal and State Programs

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2023.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Purpose of this Report

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

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
November 21, 2023



Gary W. Higgins, CPA
Licensed Public School Accountant, No. 814

Northern Valley Regional School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal		Award Amount	Grant Period		Balance June 30, 2022			Cash Received	Budgetary Expenditures	Adjustments	Balance June 30, 2023			Amounts Provided To Subrecipients
	AL Number	FAIN Number		From	To	(Accounts Receivable)	Unearned Revenue	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Health and Human Services															
Passed Through State Department of Education															
Medical Assistance Program (SEM)	93.778	2205NJ5MAP	\$ 23,885	7/1/2022	6/30/2023				\$ 23,885	\$ (23,885)					
Dept. of Health and Human Services Subtotal									23,885	(23,885)					
U.S Department of Homeland Security															
Passed Through State Department of Education															
2020 Disaster Grants - Public Assistance (FEMA) - COVID-19	21.019	N/A	53,106	7/1/2022	6/30/2023				53,106	(53,106)					
Dept. of Homeland Security Subtotal									53,106	(53,106)					
U.S Department of Labor															
Passed Through State Department of Labor															
CARES Act and American Rescue Plan Act (ARP) of 2021 Unemployment Insurance	17.225	N/A	129,293	3/9/2020	9/30/2021				129,293	(129,293)					
Dept. of Labor Subtotal									129,293	(129,293)					
Total General Fund									206,284	(206,284)					
U.S. Department of Education—Passed-Through State Department of Education															
Special Revenue Fund:															
Title I, Part A, Grants to Local Educational Agencies	84.010A	S010A220030	103,672	7/1/2022	9/30/2023				40,855	(84,113)			\$ (43,258)		
Title I, Part A, Grants to Local Educational Agencies	84.010A	S010A210030	129,649	7/1/2021	9/30/2022	\$ (51,929)	\$ 2,995		48,934						
Title I Part A Subtotal:						(51,929)	2,995		89,789	(84,113)				(43,258)	
Title II A, Improving Teacher Quality State Grants	84.367A	S367A220029	119,133	7/1/2022	9/30/2023				110,344	(116,301)				(5,957)	
Title II A, Improving Teacher Quality State Grants	84.367A	S367A210029	104,323	7/1/2021	9/30/2022	(5,236)			5,236						
Title II A Subtotal:						(5,236)			115,580	(116,301)				(5,957)	
Title III English Language Acquisition Grants	84.365A	S365A220030	46,639	7/1/2022	9/30/2023				40,707	(45,953)				(5,246)	
Title III English Language Acquisition Grants	84.365A	S365A210030	43,562	7/1/2021	9/30/2022	(5,412)			5,412						
Title III, Supplemental Immigrant Student Aid	84.365A	S365A220030	35,299	7/1/2022	9/30/2023				30,164	(34,878)				(4,714)	
Title III, Supplemental Immigrant Student Aid	84.365A	S365A210030	9,028	7/1/2021	9/30/2022	(2,417)			2,417						
Title III Subtotal:						(7,829)			78,700	(80,831)				(9,960)	
Title IV	84.424A	S424A220031	70,261	7/1/2022	9/30/2023				65,530	(70,260)				(4,730)	
Title IV	84.424A	S424A210031	80,000	7/1/2021	9/30/2022	(15,086)			15,086						
Title IV Subtotal:						(15,086)			80,616	(70,260)				(4,730)	
Special Education Cluster:															
IDEA Special Education Grants to States - Covid-19	84.027X	S027A220100	94,997	7/1/2022	9/30/2023					(4,652)				(4,652)	
IDEA Special Education Grants to States	84.027	S027A220100	498,383	7/1/2022	9/30/2023				450,500	(447,448)				3,052	
IDEA Special Education Grants to States	84.027	S027A210100	410,371	7/1/2021	9/30/2022	(2,800)			2,800						
Subtotal of Special Education Cluster:						(2,800)			453,300	(452,100)				(1,600)	
Carl D. Perkins Vocational Education	84.048	S048A220030	23,139	7/1/2022	6/30/2023				18,181	(23,139)				(4,958)	
Carl D. Perkins Vocational Education	84.048	S048A210030	25,579	7/1/2021	6/30/2022	(13,407)			6,946						
Carl D. Perkins Vocational Education Subtotal:						(13,407)			25,127	(23,139)	\$ 6,461			(4,958)	
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACSERS)	21.027	SLFRFDOE1SES	221,136	7/1/2022	9/30/2023				168,443	(389,579)				(221,136)	
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACSERS)	21.027	SLFRFDOE1SES	325,469	7/1/2021	9/30/2022	(325,469)			325,469						
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ACSERS) Subtotal						(325,469)			493,912	(389,579)				(221,136)	
Elementary and Secondary School Emergency Relief:															
COVID-19 - CARES Act - CRRSA - ESSER III	84.425D	S425D210027	985,690	3/13/2020	9/30/2024	(32,585)			209,995	(184,958)				(7,548)	
COVID-19 - CARES Act - CRRSA - ESSER III	84.425D	S425D200027	438,584	3/13/2020	9/30/2023	(28,661)			204,072	(249,279)				(73,868)	
COVID-19 - CARES Act - CRRSA - ESSER II	84.425D	S425D210027	154,186	3/13/2020	9/30/2024	(2,990)			77,239	(82,005)				(7,756)	
Learning Acceleration	84.425D	S425D200027	28,146	3/13/2020	9/30/2023	(4,790)			9,764	(7,315)				(2,341)	
NJTSS Mental Health Support Staffing Grant	84.425D	S425D210027	45,000	3/13/2020	9/30/2024				12,687	(12,687)					
NJTSS Mental Health Support Staffing Grant	84.425D	S425D200027	45,000	3/13/2020	9/30/2023	(12,293)			30,869	(18,576)					
Evidence-Based Summer Learning and Enrichment Activities Grant	84.425D	S425D210027	40,000	3/13/2020	9/30/2024				34,852	(34,852)					
Evidence-Based Comprehensive Beyond the School Day Activities Grant	84.425D	S425D200027	40,000	3/13/2020	9/30/2024				34,842	(40,000)				(5,158)	
CARES Act Subtotal						(81,319)			614,320	(629,672)				(96,671)	
Total Special Revenue Fund						(503,075)	2,995	-	1,951,344	(1,845,995)	6,461		(388,270)	-	-
Total Federal Awards						\$ (503,075)	\$ 2,995	\$ -	\$ 2,157,628	\$ (2,052,279)	\$ 6,461	\$ (388,270)	\$ -	\$ -	\$ -
NC - non-cash expenditures															
The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this statement.															

Northern Valley Regional School District
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2023

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2022			Budgetary Expenditures	Repayment of Prior Years' Balances	Adjustments	Balance June 30, 2023			Memo	
			From	To	Unearned Rev. Due to Grantor (Accts Rec)	Due to Grantor	Cash Received				Unearned Revenue	(Accounts Receivable)	Due to Grantor	GAAP Receivable	Cumulative Expenditures
State Department of Education															
General Fund and Certain Enterprise Funds:															
Special Education Categorical Aid	495-034-5120-089	\$ 2,011,057	7/1/2022	6/30/2023			\$ 1,842,636	\$ (2,011,057)				\$ (168,421)		\$ (2,011,057)	
Special Education Categorical Aid	495-034-5120-089	1,669,221	7/1/2021	6/30/2022	\$ (134,543)		134,543								
Categorical Transportation Aid	495-034-5120-014	307,800	7/1/2022	6/30/2023			282,023	(307,800)				(25,777)		(307,800)	
Categorical Transportation Aid	495-034-5120-014	307,800	7/1/2021	6/30/2022	(24,809)		24,809								
Security Aid	495-034-5120-084	42,643	7/1/2022	6/30/2023			39,072	(42,643)				(3,571)		(42,643)	
Security Aid	495-034-5120-084	42,643	7/1/2021	6/30/2022	(3,437)		3,437								
Extraordinary Aid	100-034-5120-044	980,107	7/1/2022	6/30/2023				(980,107)				(980,107)	\$ (980,107)	(980,107)	
Extraordinary Aid	100-034-5120-044	776,075	7/1/2021	6/30/2022	(776,075)		776,075								
Additional NP Transportation Aid		Not Available	7/1/2022	6/30/2023				(23,876)				(23,876)		(23,876)	
Additional NP Transportation Aid		Not Available	7/1/2021	6/30/2022	(31,414)		31,414								
School Security Grant	588-034-5120-001	129,546	7/1/2022	6/30/2023			129,546	(129,546)						(129,546)	
Reimbursed TPAF - Social Security	495-034-5094-003	2,601,260	7/1/2022	6/30/2023			2,474,223	(2,601,260)				(127,037)		(2,601,260)	
Reimbursed TPAF - Social Security	495-034-5094-003	2,589,183	7/1/2021	6/30/2022	(118,371)		118,371								
On-behalf TPAF Contributions															
Pension Benefit Contribution	495-034-5094-002	12,898,357	7/1/2022	6/30/2023			12,898,357	(12,898,357)						(12,898,357)	
Post-Retirement Medical Contribution	495-034-5094-001	3,388,367	7/1/2022	6/30/2023			3,388,367	(3,388,367)						(3,388,367)	
Long-Term Disability Insurance Contributions	495-034-5094-004	3,126	7/1/2022	6/30/2023			3,126	(3,126)						(3,126)	
Total General Fund and Certain Enterprise Funds					(1,088,649)		22,145,999	(22,386,139)				(1,328,789)		(1,131,020)	(22,386,139)
Special Revenue Fund:															
NJ SDA Emergent Needs Grant		Not Available	60,312	7/1/2022	6/30/2023			60,312	(60,312)						(60,312)
NJ SDA Emergent Needs Grant		Not Available	64,442	7/1/2021	6/30/2022	(64,442)		64,442							
New Jersey Non-Public Aid:															
Nursing Aid	100-034-5120-070	51,856	7/1/2022	6/30/2023			51,856	(51,856)						(51,856)	
Nursing Aid	100-034-5120-070	52,752	7/1/2021	6/30/2022											
Textbook Aid	100-034-5120-064	27,918	7/1/2022	6/30/2023			27,918	(27,918)						(27,918)	
Textbook Aid	100-034-5120-064	25,629	7/1/2021	6/30/2022											
Technology Initiative	100-034-5120-070	17,766	7/1/2022	6/30/2023			17,766	(17,760)				\$ 6		(17,760)	
Technology Initiative	100-034-5120-070	17,934	7/1/2021	6/30/2022		\$ 18			\$ (18)						
Security Aid	100-034-5120-509	82,425	7/1/2021	6/30/2022		132			(132)						
Non Public Auxiliary Services (Ch. 192):															
Home Instruction	100-034-5120-067	2,076	7/1/2022	6/30/2023				(2,076)				(2,076)		(2,076)	
Compensatory Education		1,977	7/1/2022	6/30/2023			1,977							-	
Compensatory Education		1,792	7/1/2021	6/30/2022		1,792			(1,792)						
Non Public Handicapped Services (Ch. 193):															
Supplemental Instruction	100-034-5120-066	28,910	7/1/2022	6/30/2023			28,910	(20,154)					8,756	(20,154)	
Supplemental Instruction		27,258	7/1/2021	6/30/2022		7,847			(7,847)						
Examination and Classification		31,844	7/1/2022	6/30/2023			31,844	(20,668)					11,176	(20,668)	
Examination and Classification		51,938	7/1/2021	6/30/2022		26,919			(26,919)						
Corrective Speech		4,650	7/1/2022	6/30/2023			4,650						4,650	-	
Corrective Speech		6,510	7/1/2021	6/30/2022		5,859			(5,859)						
School Climate Change	23E00148	6,660	7/1/2022	6/30/2023			6,660	(6,660)						(6,660)	
Total Special Revenue Fund					(64,442)	42,567	296,335	(207,404)	(42,567)			(2,076)	26,565	-	(207,404)
Debt Service Fund:															
Type II Debt Service aid	495-034-5120-075	388,756	7/1/2022	6/30/2023			388,756	(388,756)						(388,756)	
Total Debt Service Fund							388,756	(388,756)						(388,756)	
Total State Financial Assistance					\$ (1,153,091)	\$ 42,567	\$ 22,831,090	\$ (22,982,299)	\$ (42,567)	\$ -	\$ -	\$ (1,330,865)	\$ 26,565	\$ (1,131,020)	\$ (22,982,299)
State Financial Assistance Not Subject to Single Audit Determination:															
General Fund and Certain Enterprise Funds:															
On-behalf TPAF Contributions															
Pension Benefit Contribution	495-034-5094-002	12,898,357	7/1/2022	6/30/2023			(12,898,357)	12,898,357							
Post-Retirement Medical Contribution	495-034-5094-001	3,388,367	7/1/2022	6/30/2023			(3,388,367)	3,388,367							
Long-Term Disability Insurance Contributions	495-034-5094-004	3,126	7/1/2022	6/30/2023			(3,126)	3,126							
Total State Financial Assistance Subject to Single Audit Determination							\$ 6,541,240	\$ (6,692,449)							

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this statement.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Northern Valley Regional High School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying 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 Notes 1(C) to the Board's financial statements. The information in these schedules is 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 (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$34,980 for the general fund and an increase of \$7,528 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	\$ 76,991	\$ 18,858,590	\$ 18,935,581
Special Revenue Fund	1,846,964	213,963	2,060,927
Debt Service Fund		388,756	388,756
Regional Coop. Prgm. Fund		260,041	260,041
Regional Special Ed. Fund		1,884,015	1,884,015
Teens and Tots Fund	-	57,186	57,186
	<u> </u>	<u> </u>	<u> </u>
Total Awards Financial Assistance	<u>\$ 1,923,955</u>	<u>\$ 21,662,551</u>	<u>\$ 23,586,506</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT
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 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 5 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$2,601,259 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 \$12,898,357, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$3,388,367 and TPAF Long-Term Disability Insurance in the amount of \$3,126 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023. The TPAF social security contributions and on-behalf contributions are allocated between the general fund and certain enterprise funds in the financial statements as follows:

	General <u>Fund</u>	Enterprise <u>Funds</u>	<u>Total</u>
Reimbursed TPAF - Social Security	\$ 2,081,532	\$ 519,727	\$ 2,601,259
On-behalf TPAF Contributions			
Pension Benefit Contribution	10,544,451	2,353,906	12,898,357
Post-Retirement Medical Contribution	2,770,002	618,365	3,388,367
Long-Term Disability Insurance Contributic	<u>2,556</u>	<u>570</u>	<u>3,126</u>
Total	<u>\$ 15,398,541</u>	<u>\$ 3,492,568</u>	<u>\$ 18,891,109</u>

During fiscal year 2023, the New Jersey Department of Labor notified the District that federal legislation under the CARES Act and the American Rescue Plan Act of 2021 provided for partial federal subsidies related to unemployment insurance benefits attributable to the District's account. The amount of federal subsidies received by the District during fiscal year 2023 amounted to \$129,923, which have been included on the schedule of expenditures of federal awards. These subsidies represent amounts paid on behalf of the District for time periods prior to the current fiscal year (third quarter of 2020 through the third quarter of 2021) and therefore have been excluded from the District's basic financial statements.

NOTE 6 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 7 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.

Northern Valley Regional High School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2023

Part I – Summary of Auditors' Results**Financial Statements Section**

Type of auditors' report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Are any material weaknesses identified?	<u> </u> Yes	<u> X </u>	No
Are any significant deficiencies identified?	<u> </u> Yes	<u> X </u>	None Reported
Is any noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u>	No

Federal Awards

Internal control over major federal programs:			
Are any material weaknesses identified?	<u> </u> Yes	<u> X </u>	No
Are any significant deficiencies identified?	<u> </u> Yes	<u> X </u>	None Reported
Type of auditors' report issued on compliance for major federal programs:	<u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u> </u> Yes	<u> X </u>	No

Northern Valley Regional High School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2023

Part I - Summary of Auditors' Results (continued)

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027/84.027x	S027A220100	Special Education Cluster: IDEA-Special Education Grants to States

Dollar threshold used to distinguish between Type A and Type B programs:

_____ \$750,000 _____

Auditee qualified as low-risk auditee?

 X Yes _____ No

Northern Valley Regional High School District
 Schedule of Findings and Questioned Costs (continued)
 Year ended June 30, 2023

Part I - Summary of Auditors' Results (continued)

State Financial Assistance Section

Internal control over major state programs:

Are any material weaknesses identified? _____ Yes X No

Are any significant deficiencies identified? _____ Yes X None reported

Type of auditors' report issued on compliance for major state programs: _____ Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08? _____ Yes X No

Identification of major state programs:

GMIS/Program Number	Name of State Program or Cluster
495-034-5094-003	Reimbursed TPAF – Social Security

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

Auditee qualified as low-risk auditee? X Yes _____ No

Northern Valley Regional High School District

Schedule of Findings and Questioned Costs

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 through 5.20 of *Government Auditing Standards*.

No financial statement findings noted that are required to be reported under *Government Auditing Standards*

Northern Valley Regional High School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2023

Part III – Schedule of Federal Awards and State Financial Assistance 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 2 CFR 200 Section 516(a) and New Jersey Treasury Circular OMB 15-08, respectively.

Federal Award Programs

No compliance or internal control findings noted that are required to be reported in accordance with 2 CFR 200 Section 516(a).

State Financial Assistance Programs

No compliance or internal control findings noted that are required to be reported in accordance with New Jersey State OMB Circular 15-08.