

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

Ridgefield, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Ridgefield Board of Education
Ridgefield, New Jersey
For The Fiscal Year Ended June 30, 2023**

**Prepared by
Business Office**

**RIDGEFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

INTRODUCTORY SECTION

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

FINANCIAL SECTION

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

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis	4-14
--------------------------------------	------

Basic Financial Statements

A. District-wide Financial Statements

A-1 Statement of Net Position	15
A-2 Statement of Activities	16-17

B. Fund Financial Statements

Governmental Funds

B-1 Balance Sheet	18-19
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	20
B-3 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances with the District-Wide Statements	21

Proprietary Funds

B-4 Statement of Net Position	22
B-5 Combining Statement of Revenues, Expenses, and Changes in Net Position	23
B-6 Statement of Cash Flows	24

Fiduciary Funds – Not Applicable

Notes to the Financial Statements	25-67
--	-------

**RIDGEFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

C-1	Budgetary Comparison Schedule – General Fund	68-73
C-2	Budgetary Comparison Schedule – Special Revenue Fund	74

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II

C-3	Required Supplementary Information – Budgetary Comparison Schedule Notes to the Required Supplementary Information	75
-----	---	----

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions

L-1	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	76
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	77
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	78
L-4	Notes to Required Supplementary Information	79

M. Schedules Related to Accounting and Reporting for Other Postemployment Benefits (OPEB)

L-5	Required Supplementary Information – Schedule of District’s Proportionate Share of Total OPEB Liability	80
L-6	Notes to Required Supplementary Information – OPEB Liability	81

OTHER SUPPLEMENTARY INFORMATION

D. School Level Schedules - Not Applicable

E. Special Revenue Fund

E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund – Budgetary Basis	82-84
E-2	Schedule of Preschool Education Aid – Schedule of Expenditures - Budgetary Basis – Not Applicable	85

F. Capital Projects Fund – Not Applicable

F-1	Summary Schedule of Project Expenditures	86
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	87
F-2a	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Energy Savings Improvement Plan (ESIP) Project	88

**RIDGEFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

OTHER SUPPLEMENTARY INFORMATION (Continued)

G. Proprietary Funds

Enterprise Fund

G-1	Combining Statement of Net Position – Not Applicable	89
G-2	Combining Statement of Revenues, Expenses and Changes in Net Position – Not Applicable	89
G-3	Combining Statement of Cash Flows – Not Applicable	89

H. Fiduciary Funds – Not Applicable

I. Long-Term Debt

I-1	Schedule of Serial Bonds	90
I-2	Schedule of Obligations Under Capital Financing Agreements and Leases Payable	91
I-3	Debt Service Fund Budgetary Comparison Schedule	92
I-4	Schedule of Obligations Subscription-Based Information Technology Arrangements – Not Applicable	

J. STATISTICAL SECTION (Unaudited)

J-1	Net Position by Component	93
J-2	Changes in Net Position	94-95
J-3	Fund Balances – Governmental Funds	96
J-4	Changes in Fund Balances - Governmental Funds	97
J-5	General Fund Other Local Revenue by Source	98
J-6	Assessed Value and Actual Value of Taxable Property	99
J-7	Direct and Overlapping Property Tax Rates	100
J-8	Principal Property Taxpayers	101
J-9	Property Tax Levies and Collections	102
J-10	Ratios of Outstanding Debt by Type	103
J-11	Ratios of Net General Bonded Debt Outstanding	104
J-12	Direct and Overlapping Governmental Activities Debt	105
J-13	Legal Debt Margin Information	106
J-14	Demographic and Economic Statistics	107
J-15	Principal Employers	108
J-16	Full-Time Equivalent District Employees by Function/Program	109
J-17	Operating Statistics	110
J-18	School Building Information	111
J-19	Schedule of Required Maintenance for School Facilities	112
J-20	Insurance Schedule	113

**RIDGEFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

K.

SINGLE AUDIT SECTION

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	114-115
K-2	Report on Compliance for each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08 – Independent Auditor’s Report	116-118
K-3	Schedule of Expenditures of Federal Awards	119-120
K-4	Schedule of Expenditures of State Financial Assistance	121
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	122-123
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	124-125
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	126
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	127-128
K-7	Summary Schedule of Prior Year Findings	129

INTRODUCTORY SECTION



Ridgefield Public Schools

...valuing each and every student

Dr. Alex Anemone
Superintendent of Schools

555 Chestnut Street, Ridgefield, NJ 07657
Phone: 201-945-7747 Fax: 201-945-7830

Dr. Edward Izbicki
Interim Business Administrator/Board Secretary

December 19, 2023

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

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Ridgefield School District (District) for the fiscal year ending June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner design to 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 cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organization chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Uniform Guidance and the state Treasury Circular letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit of this report.

1) REPORTING ENTITY AND ITS SERVICES: The average daily enrollment of learners in the Ridgefield School District has continued to decrease; the District's Learning Center Program also continued to decline in 2022-2023 school year but continues to contribute to offsetting costs to the District for the use of the school facilities and the sharing of staff and services between Learning Center Programs and regular education classes. The District maintains a comprehensive academic curriculum as well as a renowned extra-curricular program, featuring an acclaimed music program. A transition component mandated by New Jersey Department of Education for classified learners aged fourteen and older continues to be recognized program for our Learning Center. Focus is on school-to-work internships and quality of life independence. Expansion of

programs continues to undergo constant revision in an effort to enhance educational/life skill opportunities for all students.

The Ridgefield School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB No. 14. All funds of the District are included in this report. The Ridgefield Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include general and a Learning Center Program for special education students. The District completed the 2022-2023 fiscal year with an average daily enrollment 1,586 students.

Average Daily Enrollment
(ADE)

<u>Fiscal Year</u>	<u>Student Enrollment</u>
2022-2023	1,586
2021-2022	1,563
2020-2021	1,614
2019-2020	1,680
2018-2019	1,699
2017-2018	1,660
2016-2017	1,696
2015-2016	1,717
2014-2015	1,754
2013-2014	1,767

2) **ECONOMIC CONDITIONS AND OUTLOOK:** Additional special education costs are often supported by tuition and other such miscellaneous revenues and represent consolidated service efforts, which provide economical services to all parties involved. The Department encourages such efforts. The Ridgefield School District continues to receive tuition from more than fifty (50) Districts and provide Special Education for all children needing highly specialized programs. These quality programs allow Ridgefield to better serve its own children at reduced costs. As a result, the Ridgefield school tax levy has had only slight increases in recent years.

3) **MAJOR INITIATIVES:** During the 2022-2023, the district replaced all the lockers at Ridgefield Memorial High School. In addition to the above-mentioned facilities improvements, the district commended its Energy Savings Implementation Program (ESIP). The ESIP includes boiler replacements, light fixture replacements, and the installation of solar panels at Shaler Academy, Bergen Boulevard School, Slocum Skewes School, and Ridgefield Memorial High School. The ESIP will provide the district with savings on the use of energy.

Ridgefield continues to provide its students with a high-quality education and improving our district technology.

4) **INTERNAL ACCOUNTING GOALS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with 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 benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by voters of the Municipality. Annual appropriated budgets are adopted for the general fund, special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

In accordance with NJAC 23A, the District acquired human resource software to maintain personnel records and position control roster and process its payroll. The District also uses a unique monthly report that monitors and delivers the proper services to all education programs that assists in maintaining cash balances.

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 and account groups. These funds are explained in "Notes to the Financial Statement."

7) DEBT ADMINISTRATION: On June 30, 2023 the District had \$2,992,000 in serial bonds, \$3,688,607 in capital financing agreements and \$1,519,645 in leases payable.

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

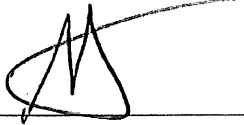
9) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

10) INDEPENDENT AUDIT: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was appointed by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter OMB 15-08. The auditor's report on the basic financial statements

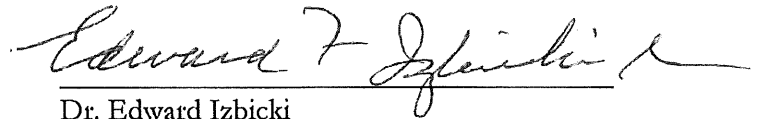
and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

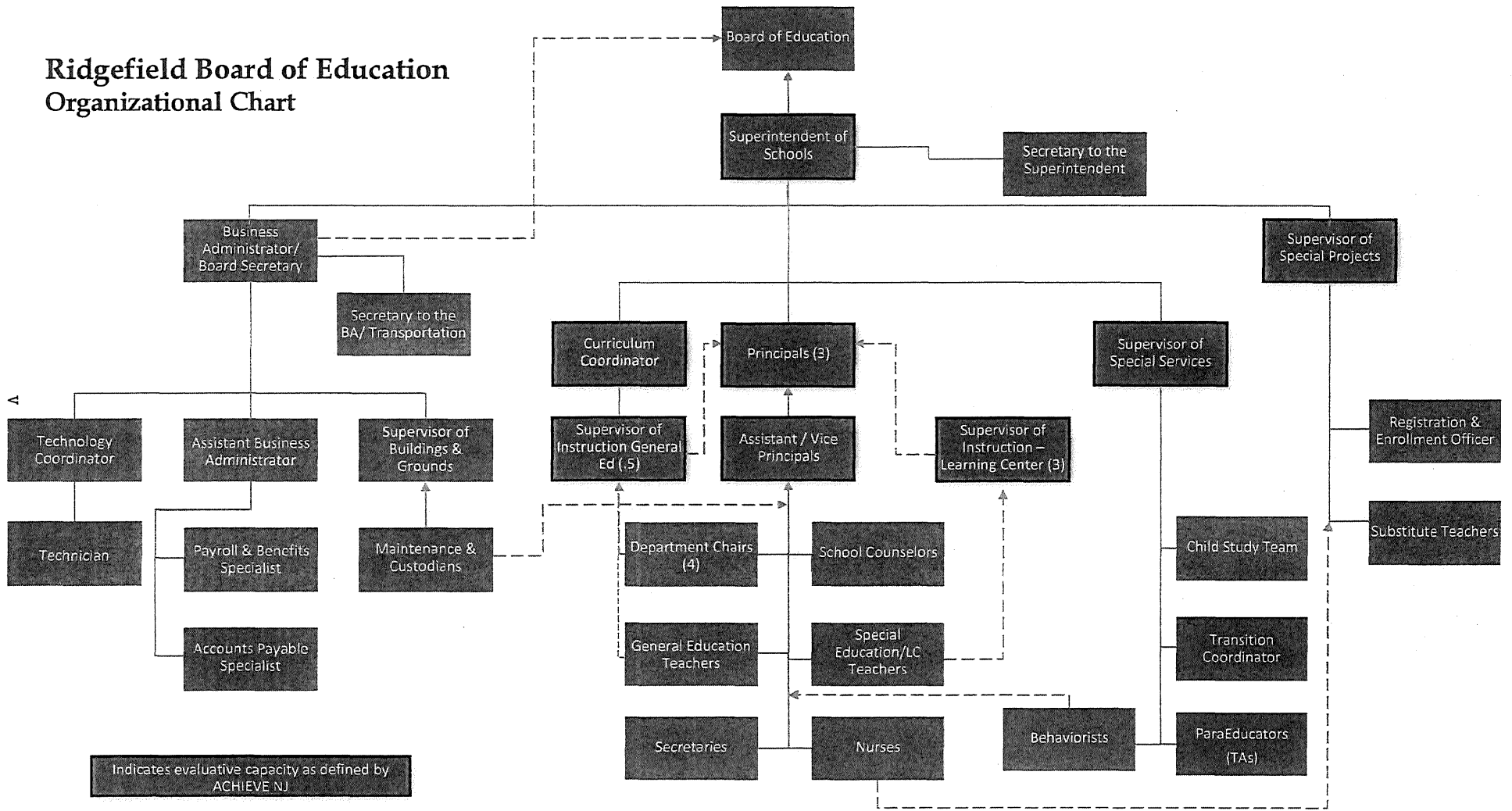


Dr. Alex Anemone
Superintendent of Schools



Dr. Edward Izbicki
Interim Business Administrator/Board Secretary

Ridgefield Board of Education Organizational Chart



**RIDGEFIELD BOARD OF EDUCATION
BERGEN COUNTY, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2023**

President	<u>Term Expires</u>
Andrew Grippa	2023
Vice President	
Claudia Navarez	2025
Members of Board of Education	
Maryam Juliet Inan	2024
Michael Jacobs	2025
Ralph Morilla	2023
William Pych	2023
Melissa Vudragovic	2023
<u>Other Officials</u>	
Interim Superintendent	Dr. Letizia Pantoliano
Acting School Business Administrator/ Board Secretary	Kelvin Hicano
Solicitors	Matthew Giacobbe-Cleary, Giacobbe, Alfieri, Jacobs, LLC

**Ridgefield Board of Education
Consultants and Advisors
as of June 30, 2023**

Architect/Engineering

Feitlowitz & Kosten Architects
306 Ramapo Valley Road
Oakland, NJ 07436

Audit Firm

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

Attorney

Cleary, Giacobbe, Alfieri,
Jacobs, LLC
169 Ramapo Road
Oakland, NJ 07436

Office Depository

Valley National Bank
868 Broad Avenue
Ridgefield, NJ 07657

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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


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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 19, 2023 on our consideration of the Ridgefield Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ridgefield Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Ridgefield Board of Education's internal control over financial reporting and compliance.

LERCH, VINCI & BLISS, LLP

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


Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 19, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

RIDGEFIELD BOARD OF EDUCATION

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

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

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Ridgefield Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$11,020,461. (Net Position)
- The District's total net position increased by \$5,899,904, or 115%.
- Overall District revenues were \$51,032,588. General revenues accounted for \$26,885,178, or 53%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$24,147,410 or 47% of total revenues.
- The school district had \$43,967,968 in expenses for governmental activities; only \$22,850,691 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$26,856,083 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$16,976,599. Of this amount, \$9,132,466 is restricted for capital projects, \$1,322,270 is restricted for required maintenance of District facilities, \$1,600,000 is restricted for tuition adjustments, \$4,430,909 is restricted for excess surplus, \$309,268 is restricted for other purposes, \$163,781 is assigned for year-end encumbrances and the remaining amount is the unassigned fund balance of \$17,905.
- The General Fund fund balance at June 30, 2023 was \$13,468,285, an increase of \$4,174,865 compared to the ending fund balance at June 30, 2022 of \$9,293,420.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$1,183,533 which represents a decrease of \$779,432 when compared to the ending unassigned budgetary fund balance at June 30, 2022 of \$1,962,965.

RIDGEFIELD BOARD OF EDUCATION

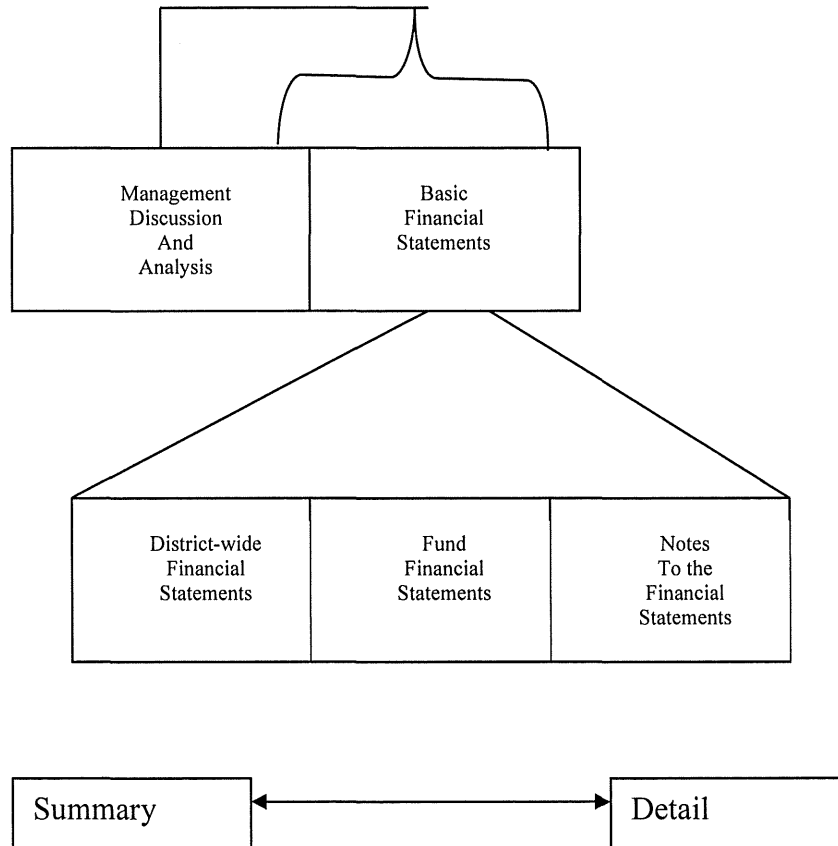
Management's Discussion and Analysis Fiscal Year Ended June 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



RIDGEFIELD BOARD OF EDUCATION

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

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

Major Features of the District-Wide and Fund Financial Statements

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

District-Wide Statements

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

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

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

RIDGEFIELD BOARD OF EDUCATION

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

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

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

Notes to the Financial Statements

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

RIDGEFIELD BOARD OF EDUCATION

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

Other Information

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

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

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

RIDGEFIELD BOARD OF EDUCATION

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$11,020,461 and \$5,120,557 on June 30, 2023 and 2022, respectively as follows:

	Net Position As of June 30, 2023 and 2022					
	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets						
Current Assets	\$ 19,156,862	\$ 11,449,027	\$ 646,915	\$ 517,839	\$ 19,803,777	\$ 11,966,866
Capital Assets	<u>13,679,936</u>	<u>13,871,939</u>	<u>90,429</u>	<u>9,509</u>	<u>13,770,365</u>	<u>13,881,448</u>
Total Assets	<u>32,836,798</u>	<u>25,320,966</u>	<u>737,344</u>	<u>527,348</u>	<u>33,574,142</u>	<u>25,848,314</u>
Deferred Outflows of Resources	<u>823,240</u>	<u>837,857</u>	<u>-</u>	<u>-</u>	<u>823,240</u>	<u>837,857</u>
Liabilities						
Long-Term Liabilities	19,425,342	15,217,362			19,425,342	15,217,362
Other Liabilities	<u>1,697,458</u>	<u>1,115,630</u>	<u>114,231</u>	<u>65,493</u>	<u>1,811,689</u>	<u>1,181,123</u>
Total Liabilities	<u>21,122,800</u>	<u>16,332,992</u>	<u>114,231</u>	<u>65,493</u>	<u>21,237,031</u>	<u>16,398,485</u>
Deferred Inflows of Resources	<u>2,138,487</u>	<u>5,165,886</u>	<u>1,403</u>	<u>1,243</u>	<u>2,139,890</u>	<u>5,167,129</u>
Net Position:						
Net Investment in Capital Assets	8,659,828	8,193,711	90,429	9,509	8,750,257	8,203,220
Restricted	9,164,958	5,907,591			9,164,958	5,907,591
Unrestricted	<u>(7,426,035)</u>	<u>(9,441,357)</u>	<u>531,281</u>	<u>451,103</u>	<u>(6,894,754)</u>	<u>(8,990,254)</u>
Total Net Position	<u>\$ 10,398,751</u>	<u>\$ 4,659,945</u>	<u>\$ 621,710</u>	<u>\$ 460,612</u>	<u>\$ 11,020,461</u>	<u>\$ 5,120,557</u>

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

RIDGEFIELD BOARD OF EDUCATION

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

The District's total net position of \$11,020,461 at June 30, 2023 represents a \$5,899,904, or 115%, increase from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2023 and 2022.

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

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
Revenues	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Program Revenues						
Charges for Services	\$ 12,305,576	\$ 11,275,166	\$ 700,501	\$ 378,213	\$ 13,006,077	\$ 11,653,379
Operating Grants and Contributions	10,117,028	12,417,481	596,218	960,818	10,713,246	13,378,299
Capital Grants and Contributions	428,087	199,761			428,087	199,761
General Revenues						
Property Taxes	24,075,939	23,772,741			24,075,939	23,772,741
State Aid - Unrestricted	2,096,217	2,099,630			2,096,217	2,099,630
Other	683,927	209,171	29,095	158	713,022	209,329
Total Revenues	<u>49,706,774</u>	<u>49,973,950</u>	<u>1,325,814</u>	<u>1,339,189</u>	<u>51,032,588</u>	<u>51,313,139</u>
Expenses						
Instruction						
Regular	14,041,463	14,725,524			14,041,463	14,725,524
Special Education	9,729,898	10,979,504			9,729,898	10,979,504
Other Instruction	718,500	474,634			718,500	474,634
School Sponsored Activities and Ath.	877,003	778,585			877,003	778,585
Support Services						
Student and Instruction Related Serv.	10,412,851	10,036,105			10,412,851	10,036,105
General Administrative Services	1,201,260	1,031,114			1,201,260	1,031,114
School Administrative Services	1,710,973	1,948,785			1,710,973	1,948,785
Central Services and Info. Technology	994,148	1,077,837			994,148	1,077,837
Plant Operations and Maintenance	3,363,788	3,801,607			3,363,788	3,801,607
Pupil Transportation	813,224	794,240			813,224	794,240
Interest on Long Term Debt	104,860	122,801			104,860	122,801
Food Services			893,760	844,984	893,760	844,984
Saturday Happenings Program	-	-	270,956	260,993	270,956	260,993
Total Expenses	<u>43,967,968</u>	<u>45,770,736</u>	<u>1,164,716</u>	<u>1,105,977</u>	<u>45,132,684</u>	<u>46,876,713</u>
Increase in Net Position	5,738,806	4,203,214	161,098	233,212	5,899,904	4,436,426
Net Position, Beginning of Year	<u>4,659,945</u>	<u>456,731</u>	<u>460,612</u>	<u>227,400</u>	<u>5,120,557</u>	<u>684,131</u>
Net Position, End of Year	<u>\$ 10,398,751</u>	<u>\$ 4,659,945</u>	<u>\$ 621,710</u>	<u>\$ 460,612</u>	<u>\$ 11,020,461</u>	<u>\$ 5,120,557</u>

RIDGEFIELD BOARD OF EDUCATION

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

Governmental Activities. The District’s total governmental activities’ revenues, which includes State and Federal grants, were \$49,706,774 for the fiscal year ended June 30, 2023, property taxes of \$24,075,939 represented 48% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$12,641,332 and represented 25% of revenues. Charges for services from special education tuition, one to one aides, OT/PT services and student activity fees was another predominant source of revenue; \$12,305,576 was earned during the year representing 25% of revenues. In addition, miscellaneous revenue was earned which includes items such as interest, prior year refunds and other miscellaneous items

The total cost of all governmental activities programs and services was \$43,967,968 for the fiscal year ended June 30, 2023. The District’s expenses are predominantly related to educating and caring for students. Instruction costs were \$25,366,864 (58%) of total expenses and support services costs were \$18,496,244 (42%) of total expenses for the fiscal year ended June 30, 2023.

For fiscal year 2023, total governmental activities revenues exceeded expenses increasing net position by \$5,738,806 from the previous year.

Total and Net Cost of Governmental Activities. The District’s total cost of services was \$43,967,968. After applying program revenues, derived from operating and capital grants and contributions of \$10,545,115 and charges for services of \$12,305,576 the net cost of services of the District is \$21,117,277 for the fiscal year ended June 30, 2023.

Total and Net Cost of Governmental Activities For the Fiscal Years Ended June 30, 2023 and 2022

	<u>Total Cost of Services</u>		<u>Net Cost (Revenues) of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 14,041,463	\$ 14,725,524	\$ 10,659,931	\$ 10,451,462
Special Education	9,729,898	10,979,504	(3,900,820)	(2,467,021)
Other Instruction	718,500	474,634	554,653	341,010
School Sponsored Activities and Athletics	877,003	778,585	677,084	588,187
Support Services				
Student and Instruction Related Svcs.	10,412,851	10,036,105	6,043,609	5,324,648
General Administrative Services	1,201,260	1,031,114	1,120,741	929,289
School Administrative Services	1,710,973	1,948,785	1,420,169	1,504,588
Central Services and Info. Technology	994,148	1,077,837	898,325	927,450
Plant Operations and Maintenance	3,363,788	3,801,607	2,754,813	3,429,571
Pupil Transportation	813,224	794,240	797,817	753,617
Interest on Long Term Debt	104,860	122,801	90,955	95,527
Total	<u>\$ 43,967,968</u>	<u>\$ 45,770,736</u>	<u>\$ 21,117,277</u>	<u>\$ 21,878,328</u>

Business-Type Activities – The District’s total business-type activities revenues were \$1,325,814 for the fiscal year ended June 30, 2023. Operating grants and contributions accounted for 45% of total revenues and 53% of revenues were from charges for services and sales with the remaining revenues from other local sources.

Total cost of all business-type activities programs and services was \$1,164,716 for the fiscal year ended June 30, 2023. The District’s expenses are related to Food Service programs provided to students, teachers and administrators within the District at a total cost of \$893,760 (77%) and Saturday Happenings Programs which offers before and after school programs as well as education programs to all District students and residents at a total cost of \$270,956 (23%).

For fiscal year 2023, total business-type activities revenues exceeded expenses increasing net position by \$161,098, or 35% from the previous year.

RIDGEFIELD BOARD OF EDUCATION

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

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$16,976,599 at June 30, 2023, an increase of \$7,454,177 from last year's fund balance of \$9,522,422. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

Revenues for the District's governmental funds were \$52,806,195 while total expenditures were \$49,020,776 for the fiscal year ended June 30, 2023.

GENERAL FUND

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

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Amount of Increase (Decrease)	Percent Change
Local Sources:				
Property Tax Levy	\$ 23,478,319	\$ 23,017,960	\$ 460,359	2%
Tuition	10,299,755	8,655,186	1,644,569	19%
Miscellaneous	2,843,223	2,296,680	546,543	24%
State Sources	13,399,529	12,919,409	480,120	4%
Federal Sources	<u>136,098</u>	<u>58,757</u>	<u>77,341</u>	132%
 Total General Fund Revenues	 <u>\$ 50,156,924</u>	 <u>\$ 46,947,992</u>	 <u>\$ 3,208,932</u>	 7%

For fiscal year 2023, total General Fund revenues increased \$3,208,932, or 7% from the previous year.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 26,754,879	\$ 26,899,121	\$ (144,242)	-1%
Support Services	18,415,449	17,811,526	603,923	3%
Debt Service	543,217	544,728	(1,511)	0%
Capital Outlay	<u>414,136</u>	<u>1,884,465</u>	<u>(1,470,329)</u>	-78%
 Total Expenditures	 <u>\$ 46,127,681</u>	 <u>\$ 47,139,840</u>	 <u>\$ (1,012,159)</u>	 -2%

RIDGEFIELD BOARD OF EDUCATION

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

GENERAL FUND (Continued)

For fiscal year 2023, total General Fund expenditures decreased \$1,012,159, or 2% from the previous year.

In fiscal year 2023, General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$4,174,865. Therefore, the total fund balance at June 30, 2022 of \$9,293,420 increased to a fund balance of \$13,468,285 at June 30, 2023.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2023, the District had \$13,679,936 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$90,429 for business type activity. The following is a comparison of the June 30, 2023 and 2022 balances:

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 288,751	\$ 288,751			\$ 288,751	\$ 288,751
Construction in Progress	293,297	2,045,677			293,297	2,045,677
Land Improvements	333,648	199,840			333,648	199,840
Buildings and Building Improvements	10,270,160	8,315,988			10,270,160	8,315,988
Right-to-use Leased Buildings	1,471,526	1,839,408			1,471,526	1,839,408
Leasehold Improvements	6,334	8,865			6,334	8,865
Machinery and Equipment	1,006,987	1,171,996	\$ 90,429	\$ 9,509	1,097,416	1,181,505
Right-to-use Leased Equipment	9,233	1,414	-	-	9,233	1,414
Total Capital Assets, Net	<u>\$ 13,679,936</u>	<u>\$ 13,871,939</u>	<u>\$ 90,429</u>	<u>\$ 9,509</u>	<u>\$ 13,770,365</u>	<u>\$ 13,881,448</u>

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

LONG TERM LIABILITIES

At June 30, 2023 the District had \$19,425,342 of total outstanding long-term liabilities. For fiscal year 2022/2023 total outstanding long-term liabilities increased by \$4,207,980. The following is a comparison of the June 30, 2023 and 2022 balances:

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

	Governmental Activities	
	<u>2023</u>	<u>2022</u>
Serial Bonds (including unamortized premium)	\$ 3,040,187	\$ 3,648,736
Capital Financing Agreements	3,688,607	60,978
Compensated Absences	1,343,957	1,332,016
Leases Payable	1,519,645	2,012,110
Deferred Pension Liability	24,667	28,749
Net Pension Liability	<u>9,808,279</u>	<u>8,134,773</u>
Total Long-Term Liabilities	<u>\$ 19,425,342</u>	<u>\$ 15,217,362</u>

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

RIDGEFIELD BOARD OF EDUCATION

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

For fiscal year 2023 General Fund budgetary revenues and other financing sources exceeded budgetary expenditures and other financing uses increasing budgetary fund balance \$4,222,332. After deducting fund balances restricted and assigned, the unassigned budgetary fund balance decreased \$779,432 from an unassigned fund balance of \$1,962,965 at June 30, 2022 to \$1,183,533 at June 30, 2023. In addition at June 30, 2023 the District had balances in its capital reserve of \$5,933,420, maintenance reserve of \$1,322,270, tuition reserve of \$1,600,000 and reserved excess surplus of \$4,430,909.

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

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

These indicators were considered when adopting the budget for fiscal year 2023-2024. Budgeted expenditures in the General Fund increased approximately 9% to \$43,946,139 for fiscal year 2023-2024. Budgeted employee benefit costs and capital outlay projects funded from capital reserve were the main factors for the increase.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Ridgefield Board of Education, 555 Chestnut Street, Ridgefield, NJ 07657.

DISTRICT-WIDE FINANCIAL STATEMENTS

RIDGEFIELD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 11,714,086	\$ 496,823	\$ 12,210,909
Receivables, Net	4,221,147	163,484	4,384,631
Internal Balances	22,583	(22,583)	-
Inventory		9,191	9,191
Restricted Assets:			
Cash with Fiscal Agents	3,199,046		3,199,046
Capital Assets, Not Being Depreciated	582,048		582,048
Capital Assets, Being Depreciated, Net	13,097,888	90,429	13,188,317
Total Assets	<u>32,836,798</u>	<u>737,344</u>	<u>33,574,142</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	29,285		29,285
Deferred Amounts on Net Pension Liability	793,955	-	793,955
Total Deferred Outflows of Resources	<u>823,240</u>	<u>-</u>	<u>823,240</u>
Total Assets and Deferred Outflows of Resources	<u>33,660,038</u>	<u>737,344</u>	<u>34,397,382</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,075,553	85,116	1,160,669
Payable to Other Governments	31,140		31,140
Accrued Interest Payable	40,523		40,523
Unearned Revenue	550,242	29,115	579,357
Noncurrent Liabilities			
Due within one year	1,207,781		1,207,781
Due beyond one year	18,217,561	-	18,217,561
Total Liabilities	<u>21,122,800</u>	<u>114,231</u>	<u>21,237,031</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	2,138,487		2,138,487
Deferred Commodities Revenue	-	1,403	1,403
Total Deferred Inflows of Resources	<u>2,138,487</u>	<u>1,403</u>	<u>2,139,890</u>
Total Liabilities and Deferred Inflows of Resources	<u>23,261,287</u>	<u>115,634</u>	<u>23,376,921</u>
NET POSITION			
Net Investment in Capital Assets	8,659,828	90,429	8,750,257
Restricted for			
Capital Projects	5,933,420		5,933,420
Plant Maintenance	1,322,270		1,322,270
Tuition Adjustments	1,600,000		1,600,000
Student Activities	131,058		131,058
Scholarships	157,245		157,245
Debt Service	20,965		20,965
Unrestricted	(7,426,035)	531,281	(6,894,754)
Total Net Position	<u>\$ 10,398,751</u>	<u>\$ 621,710</u>	<u>\$ 11,020,461</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities							
Instruction							
Regular	\$ 14,041,463		\$ 3,363,755	\$ 17,777	\$ (10,659,931)		\$ (10,659,931)
Special Education	9,729,898	\$ 9,895,140	3,735,578	-	3,900,820		3,900,820
Other Instruction	718,500	-	163,847		(554,653)		(554,653)
School Sponsored Activities and Athletics	877,003	174,575	25,344		(677,084)		(677,084)
Support Services							
Student and Instruction Related Services	10,412,851	2,235,861	2,133,381		(6,043,609)		(6,043,609)
General Administrative Services	1,201,260		80,519		(1,120,741)		(1,120,741)
School Administrative Services	1,710,973		290,804		(1,420,169)		(1,420,169)
Central Services and Info. Technology	994,148		95,823		(898,325)		(898,325)
Plant Operations and Maintenance	3,363,788		198,665	410,310	(2,754,813)		(2,754,813)
Pupil Transportation	813,224		15,407		(797,817)		(797,817)
Interest on Long-Term Debt	104,860	-	13,905	-	(90,955)		(90,955)
Total Governmental Activities	<u>43,967,968</u>	<u>12,305,576</u>	<u>10,117,028</u>	<u>428,087</u>	<u>(21,117,277)</u>	<u>-</u>	<u>(21,117,277)</u>
Business-Type Activities							
Food Service	893,760	401,210	596,218	-	-	\$ 103,668	103,668
Saturday Happenings	<u>270,956</u>	<u>299,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,335</u>	<u>28,335</u>
Total Business-Type Activities	<u>1,164,716</u>	<u>700,501</u>	<u>596,218</u>	<u>-</u>	<u>-</u>	<u>132,003</u>	<u>132,003</u>
Total Primary Government	<u>\$ 45,132,684</u>	<u>\$ 13,006,077</u>	<u>\$ 10,713,246</u>	<u>\$ 428,087</u>	<u>(21,117,277)</u>	<u>132,003</u>	<u>(20,985,274)</u>

91

Continued

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues			
Taxes			
Property Taxes Levied for General Purposes	\$ 23,478,319		\$ 23,478,319
Property Taxes Levied for Debt Service	597,620		597,620
State Aid -Unrestricted	2,018,319		2,018,319
State Aid for Debt Service Principal	77,898		77,898
Investment Earnings	400,778	\$ 6,387	407,165
Miscellaneous Income	283,149	22,708	305,857
Total General Revenues	26,856,083	29,095	26,885,178
Change in Net Position	5,738,806	161,098	5,899,904
Net Position, Beginning of Year	4,659,945	460,612	5,120,557
Net Position, End of Year	\$ 10,398,751	\$ 621,710	\$ 11,020,461

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 11,404,818	\$ 288,303	-	\$ 20,965	\$ 11,714,086
Receivables from Other Governments, Net	3,080,671	1,112,754			4,193,425
Other Accounts Receivables	27,722				27,722
Due from Other Funds	419,596	-	-	-	419,596
Restricted Assets:					
Cash with Fiscal Year	-	-	\$ 3,199,046	-	3,199,046
Total Assets	<u>\$ 14,932,807</u>	<u>\$ 1,401,057</u>	<u>\$ 3,199,046</u>	<u>\$ 20,965</u>	<u>\$ 19,553,875</u>
LIABILITIES					
Liabilities					
Accounts Payable	\$ 652,805	\$ 163,651			\$ 816,456
Accrued Salaries and Wages	71,103	-			71,103
Payroll Deductions and Withholdings Payable	187,994				187,994
Payables to Federal Governments		1,848			1,848
Payables to Local Governments	29,292				29,292
Due to Other Funds		397,013			397,013
Unearned Revenue	-	550,242	-	-	550,242
Total Liabilities	<u>941,194</u>	<u>1,112,754</u>	<u>-</u>	<u>-</u>	<u>2,053,948</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Tuition and Related Fees	523,328	-	-	-	523,328
Total Deferred Inflows of Resources	<u>523,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>523,328</u>
FUND BALANCES					
Fund Balances					
Restricted					
Capital Reserve	4,594,317				4,594,317
Capital Reserve - Designated for Subsequent Year's Expenditures	1,339,103				1,339,103
Maintenance Reserve	1,322,270				1,322,270
Tuition Adjustments	800,000				800,000
Tuition Adjustments - Designated for Subsequent Year's Expenditures	800,000				800,000
Excess Surplus	2,836,743				2,836,743
Excess Surplus - Designed for Subsequent Year's Expenditures	1,594,166				1,594,166
Student Activities		131,058			131,058
Scholarships		157,245			157,245
Capital Projects			3,199,046		3,199,046
Debt Service				20,965	20,965
Assigned					
Year End Encumbrances	163,781				163,781
Unassigned	17,905	-	-	-	17,905
Total Fund Balances	<u>13,468,285</u>	<u>288,303</u>	<u>3,199,046</u>	<u>20,965</u>	<u>16,976,599</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,932,807</u>	<u>\$ 1,401,057</u>	<u>\$ 3,199,046</u>	<u>\$ 20,965</u>	<u>\$ 19,553,875</u>

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

Total Fund Balances - Governmental Funds (Exhibit B-1)	\$ 16,976,599
<p>Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$39,128,077 and the accumulated depreciation is \$25,448,141.</p>	13,679,936
<p>Deferred revenues in the funds that are unavailable and do not provide current financial resources are realized as earned revenues in the statement of activities.</p>	523,328
<p>Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt</p>	29,285
<p>Certain amounts resulting from the measurement of the net pension liability are reported as either deferred outflows of resources or deferred inflows of resources on the statement of net position and amortized over future years.</p>	
<p>Deferred Outflows of Resources</p>	\$ 793,955
<p>Deferred Inflows of Resources</p>	<p><u>(2,138,487)</u></p>
	(1,344,532)
<p>The District has financed capital assets through the issuance of long-term bonds. The interest accrual at year end is:</p>	(40,523)
<p>Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>	
<p>Bonds Payable (Including Unamortized Premium)</p>	(3,040,187)
<p>Capital Financing Agreement</p>	(3,688,607)
<p>Leases Payable</p>	(1,519,645)
<p>Compensated Absences</p>	(1,343,957)
<p>Deferred Pension Obligation</p>	(24,667)
<p>Net Pension Liability</p>	<p><u>(9,808,279)</u></p>
	(19,425,342)
Net Position of Governmental Activities (Exhibit A-1)	<u>\$ 10,398,751</u>

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Taxes	\$ 23,478,319			\$ 597,620	\$ 24,075,939
Tuition	10,299,755				10,299,755
Interest	400,710		\$ 68		400,778
Miscellaneous - Restricted	2,159,364				2,159,364
Miscellaneous - Unrestricted	<u>283,149</u>	<u>\$ 243,645</u>	<u>-</u>	<u>-</u>	<u>526,794</u>
Total - Local Sources	36,621,297	243,645	68	597,620	37,462,630
State Sources	13,399,529	6,600		91,803	13,497,932
Federal Sources	<u>136,098</u>	<u>1,709,535</u>	<u>-</u>	<u>-</u>	<u>1,845,633</u>
Total Revenues	<u>50,156,924</u>	<u>1,959,780</u>	<u>68</u>	<u>689,423</u>	<u>52,806,195</u>
EXPENDITURES					
Current					
Instruction					
Regular Instruction	14,537,428	612,859			15,150,287
Special Education Instruction	10,672,819	85,062			10,757,881
Other Special Instruction	789,540	9,049			798,589
School-Sponsored Activities and Athletics	755,092	178,402			933,494
Support Services					
Student and Instruction Related Services	10,828,945	596,915			11,425,860
General Administrative Services	1,266,131				1,266,131
School Administrative Services	1,851,528				1,851,528
Central Services and Info. Technology	1,071,148				1,071,148
Plant Operations and Maintenance	2,651,757				2,651,757
Student Transportation	745,940				745,940
Debt Service					
Principal	533,594			585,000	1,118,594
Interest and Other Charges	9,623			104,423	114,046
Capital Outlay	<u>414,136</u>	<u>428,087</u>	<u>293,298</u>	<u>-</u>	<u>1,135,521</u>
Total Expenditures	<u>46,127,681</u>	<u>1,910,374</u>	<u>293,298</u>	<u>689,423</u>	<u>49,020,776</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,029,243</u>	<u>49,406</u>	<u>(293,230)</u>	<u>-</u>	<u>3,785,419</u>
OTHER FINANCING SOURCES (USES)					
Capital Financing Agreement Proceeds	166,787	-	3,492,276	-	3,659,063
Lease Issued	9,695				9,695
Transfers In		30,860			30,860
Transfers Out	<u>(30,860)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,860)</u>
Total Other Financing Sources and Uses	<u>145,622</u>	<u>30,860</u>	<u>3,492,276</u>	<u>-</u>	<u>3,668,758</u>
Net Change in Fund Balances	4,174,865	80,266	3,199,046	-	7,454,177
Fund Balance, Beginning of Year	<u>9,293,420</u>	<u>208,037</u>	<u>-</u>	<u>20,965</u>	<u>9,522,422</u>
Fund Balance, End of Year	<u>\$ 13,468,285</u>	<u>\$ 288,303</u>	<u>\$ 3,199,046</u>	<u>\$ 20,965</u>	<u>\$ 16,976,599</u>

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

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

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ 7,454,177**

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

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

Capital Outlays	\$ 1,135,521	
Depreciation Expense	<u>(1,327,524)</u>	(192,003)

The issuance of long-term debt provides current financial resources to the governmental funds but they increase liabilities in the statement of net position and do not affect the statement of activities.

Capital Financing Agreement Proceeds	(3,659,063)	
Leases Payable	<u>(9,695)</u>	(3,668,758)

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

Principal Repayments:		
General Obligations Bonds	585,000	
Capital Financing Agreements	31,434	
Leases Payable	<u>502,160</u>	1,118,594

In the statement of activities, costs related to the issuance of long term debt are deferred and amortized over the term of the debt. This amount represents the current year amortization of the costs related to the issuance of long term debt.

Deferred Amount on Refunding of Debt	(14,311)	
Original Issue Premium	<u>23,549</u>	9,238

In the statement of activities, certain operating expenses are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Increase in Compensated Absences	(11,941)	
Decrease in Deferred Pension Obligations	4,082	
Decrease in Pension Expense	<u>1,353,587</u>	1,345,728

Revenues in the statement of activities related to receivables that do not provide current financial resources are not reported as revenue in the governmental funds but are deferred until collected.

Decrease in Unavailable Revenue		(328,118)
---------------------------------	--	-----------

Interest on long-term debt in the governmental funds is recorded as an expenditure when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Increase in Accrued Interest		<u>(52)</u>
------------------------------	--	-------------

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 5,738,806**

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**RIDGEFIELD BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	Business-Type Activities Enterprise Funds		
	Food Service	Saturday Happenings Program	Total
ASSETS			
Cash	\$ 357,212	\$ 139,611	\$ 496,823
Intergovernmental Receivable, Net	84,086		84,086
Accounts Receivable, Net	73,625	5,773	79,398
Inventory	9,191	-	9,191
Total Current Assets	<u>524,114</u>	<u>145,384</u>	<u>669,498</u>
Capital Assets			
Equipment	306,703	30,200	336,903
Accumulated Depreciation	<u>(216,274)</u>	<u>(30,200)</u>	<u>(246,474)</u>
Total Capital Assets, Net	<u>90,429</u>	<u>-</u>	<u>90,429</u>
Total Assets	<u>614,543</u>	<u>145,384</u>	<u>759,927</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	79,369	5,747	85,116
Due to Other Funds		22,583	22,583
Unearned Revenue	9,174	19,941	29,115
Total Current Liabilities	<u>88,543</u>	<u>48,271</u>	<u>136,814</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue	1,403	-	1,403
Total Liabilities and Deferred Inflow of Resources	<u>89,946</u>	<u>48,271</u>	<u>138,217</u>
NET POSITION			
Investment in Capital Assets	90,429	-	90,429
Unrestricted	434,168	97,113	531,281
Total Net Position	<u>\$ 524,597</u>	<u>\$ 97,113</u>	<u>\$ 621,710</u>

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

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

Business-Type Activities

	Enterprise Funds		
	Food Service	Saturday Happenings Program	Total
OPERATING REVENUES			
Local Sources			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 133,251		\$ 133,251
Daily Sales - Non-Reimbursable Programs	267,959		267,959
Other - Non-Reimbursable Programs			-
Program Fees	-	\$ 299,291	299,291
	<u>401,210</u>	<u>299,291</u>	<u>700,501</u>
Total Operating Revenues			
OPERATING EXPENSES			
Cost of Sales - Reimbursable Programs	315,397		315,397
Cost of Sales - Non-Reimbursable Programs	135,682		135,682
Salaries and Benefits	326,692	245,365	572,057
Purchased Management Services	32,525		32,525
Other Purchased Services	12,292	22,583	34,875
Repair and Maintenance Services	16,285		16,285
General Supplies	37,400	1,028	38,428
Miscellaneous	2,737	1,980	4,717
Depreciation	14,750	-	14,750
	<u>893,760</u>	<u>270,956</u>	<u>1,164,716</u>
Total Operating Expenses			
Operating Income (Loss)	<u>(492,550)</u>	<u>28,335</u>	<u>(464,215)</u>
NONOPERATING REVENUES			
Local Sources			
Paycheck Protection Program Vendor Reimbursement	22,708		22,708
State Sources			
State School Lunch Program	15,097		15,097
State School Breakfast Program	1,861		1,861
Federal Sources			
National School Breakfast Program	73,686		73,686
National School Lunch Program	339,207		339,207
Supply Chain Assistance	83,830		83,830
Food Distribution Program	82,537		82,537
Interest Income	-	6,387	6,387
	<u>618,926</u>	<u>6,387</u>	<u>625,313</u>
Total Nonoperating Revenues			
Changes in Net Position	126,376	34,722	161,098
Total Net Position, Beginning of Year	<u>398,221</u>	<u>62,391</u>	<u>460,612</u>
Total Net Position, End of Year	<u>\$ 524,597</u>	<u>\$ 97,113</u>	<u>\$ 621,710</u>

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

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

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Saturday Happenings Program	Total
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 344,106	\$ 321,632	\$ 665,738
Cash Payments for Employees			
Salaries and Benefits	(326,692)	(250,779)	(577,471)
Cash Payments to Suppliers for Goods and Services	(431,020)	(19,709)	(450,729)
Cash Payments to Customers - Refunds	(516)	(18,092)	(18,608)
Net Cash Provided by (Used for) Operating Activities	<u>(414,122)</u>	<u>33,052</u>	<u>(381,070)</u>
Cash Flows from Noncapital Financing Activities			
Cash Received from PPP Vendor Reimbursement	22,708		22,708
Cash Received from State and Federal Subsidy Reimbursements	496,124	-	496,124
Net Cash Provided by Noncapital Financing Activities	<u>518,832</u>	<u>-</u>	<u>518,832</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(95,670)	-	(95,670)
Net Cash (Used for) Capital and Related Financing Activities	<u>(95,670)</u>	<u>-</u>	<u>(95,670)</u>
Cash Flows from Investing Activities			
Interest Received	-	6,387	6,387
Net Cash Provided by Investing Activities	<u>-</u>	<u>6,387</u>	<u>6,387</u>
Net Increase in Cash	9,040	39,439	48,479
Cash, Beginning of Year	348,172	100,172	448,344
Cash, End of Year	<u>\$ 357,212</u>	<u>\$ 139,611</u>	<u>\$ 496,823</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$ (492,550)	\$ 28,335	\$ (464,215)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	14,750	-	14,750
Non-Cash Federal Assistance-Food Distribution Program	82,537		82,537
Change in Assets, Liabilities and Deferred Inflows of Resources			
(Increase)/Decrease in Other Accounts Receivable	(60,640)	(855)	(61,495)
(Increase)/Decrease in Inventory	(1,680)		(1,680)
Increase/(Decrease) in Accounts Payable	40,281	5,747	46,028
Increase/(Decrease) in Interfund Payable		135	135
Increase/(Decrease) in Accrued Salaries and Wages		(5,414)	(5,414)
Increase/(Decrease) in Unearned Revenue	3,020	5,104	8,124
Increase/(Decrease) in Deferred Commodities Revenue	160	-	160
Total Adjustments	<u>78,428</u>	<u>4,717</u>	<u>83,145</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (414,122)</u>	<u>\$ 33,052</u>	<u>\$ (381,070)</u>
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 82,697		\$ 82,697

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Ridgefield Board of Education this includes general operations, food service, before and after school child care, community education programs and student related activities of the District.

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

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

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements, grants and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

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

The *Saturday happenings program fund* accounts for the activities of the District's latch-key, pre-k, Saturday happenings and summer happenings operations which provides before and after school child care, pre-k curriculum and community education programs for district students and residents.

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end except for tuition and related service fees which are considered available if collected within 90 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements, leases payable for intangible right-to-use leased assets and subscription arrangements for intangible right-to-use information technology (IT) software assets are reported as other financing sources.

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. Inventories

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

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

4. Restricted Assets

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and their use is limited for capital projects.

5. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost, except for intangible right-to-use leased assets, the measurement of which is discussed in Note 1. E.9. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	50
Right-to-use Leased Buildings	33
Building Improvements	10-40
Leasehold Improvements	20
Office Equipment and Furniture	5
Computer Equipment	5
Right-to-use Leased Equipment	5
Right-to-use IT Software	2-5

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

7. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation, personal, and sick leave benefits. A long-term liability of accumulated vacation, personal and 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 vacation, personal and 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Leases

Leases Payable

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

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

10. Financing Agreements

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

11. Long-Term Obligations

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

12. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

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

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

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

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

12. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

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.

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

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.

13. Fund Balance Policies

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District has no committed fund balances at year end.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

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.

3. *Tuition Revenues and Expenditures*

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

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$200,957 and the special revenue fund by \$3,487,129. The increases were funded by the additional grant awards, 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.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

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

Balance, July 1, 2022		\$ 3,106,319
Increased by		
Deposits Approved by Board Resolution	\$ 2,952,900	
Return of Unencumbered Budget Withdrawals	<u>42,201</u>	
		<u>2,995,101</u>
Total Increases		6,101,420
Decreased by:		
Withdrawals Approved in District Budget		<u>168,000</u>
Balance, June 30, 2023		<u>\$ 5,933,420</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. \$1,339,103 of the capital reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

C. 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.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve (Continued)

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	\$ 1,322,270
Increased by	
Deposits Approved by Board Resolution	<u>47,000</u>
	1,369,270
Decreased by:	
Withdrawals Approved in District Budget	<u>47,000</u>
Balance, June 30, 2023	<u>\$ 1,322,270</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,322,270. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

D. 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 \$4,430,909. Of this amount, \$1,594,166 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$2,836,743 will be appropriated in the 2024/2025 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$15,409,955 and bank and brokerage firm balances of the Board's deposits amounted to \$15,944,781. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash with fiscal agent" are categorized as:

Depository Account

Insured	\$ 15,633,732
Uninsured and Collateralized	<u>311,049</u>
	<u>\$ 15,944,781</u>

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

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 311,049</u>
	<u>\$ 311,049</u>

Investments

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

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

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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

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

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

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Saturday Happenings</u>	<u>Total</u>
Receivables:					
Accounts	\$ 27,722		\$ 73,625	\$ 8,245	\$ 109,592
Intergovernmental-					-
Federal		\$ 1,112,645	80,823		1,193,468
State	178,884		3,263		182,147
Local	<u>3,262,946</u>	<u>109</u>	<u>-</u>	<u>-</u>	<u>3,263,055</u>
Gross Receivables	3,469,552	1,112,754	157,711	8,245	4,748,262
Less: Allowance for Uncollectibles	<u>(361,159)</u>	<u>-</u>	<u>-</u>	<u>(2,472)</u>	<u>(363,631)</u>
Net Total Receivables	<u>\$ 3,108,393</u>	<u>\$ 1,112,754</u>	<u>\$ 157,711</u>	<u>\$ 5,773</u>	<u>\$ 4,384,631</u>

C. Unearned Revenue

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

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 80,887
Grant Draw Downs for Year-End Encumbrances	<u>469,355</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 550,242</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 288,751			\$ 288,751
Construction in Progress	<u>2,045,677</u>	\$ 293,298	\$ (2,045,678)	<u>293,297</u>
Total Capital Assets, Not Being Depreciated	<u>2,334,428</u>	<u>293,298</u>	<u>(2,045,678)</u>	<u>582,048</u>
Capital Assets, Being Depreciated:				
Land Improvement	793,337	139,295		932,632
Building and Building Improvements	17,985,161	2,525,717		20,510,878
Right-to-use Leased Buildings	12,140,094			12,140,094
Leasehold Improvements	50,627			50,627
Machinery and Equipment	4,688,909	213,194		4,902,103
Right-to-use Leased Equipment	<u>9,897</u>	<u>9,695</u>	<u>(9,897)</u>	<u>9,695</u>
Total Capital Assets Being Depreciated	<u>35,668,025</u>	<u>2,887,901</u>	<u>(9,897)</u>	<u>38,546,029</u>
Less Accumulated Depreciation for:				
Land Improvement	(593,497)	(5,487)		(598,984)
Building and Building Improvements	(9,669,173)	(571,545)		(10,240,718)
Right-to-use Leased Buildings	(10,300,686)	(367,882)		(10,668,568)
Leasehold Improvements	(41,762)	(2,531)		(44,293)
Machinery and Equipment	(3,516,913)	(378,203)		(3,895,116)
Right-to-use Leased Equipment	<u>(8,483)</u>	<u>(1,876)</u>	<u>9,897</u>	<u>(462)</u>
Total Accumulated Depreciation	<u>(24,130,514)</u>	<u>(1,327,524)</u>	<u>9,897</u>	<u>(25,448,141)</u>
Total Capital Assets, Being Depreciated, Net	<u>11,537,511</u>	<u>1,560,377</u>	<u>-</u>	<u>13,097,888</u>
Governmental Activities Capital Assets, Net	<u>\$ 13,871,939</u>	<u>\$ 1,853,675</u>	<u>\$ (2,045,678)</u>	<u>\$ 13,679,936</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 343,733	\$ 95,670	\$ (102,500)	\$ 336,903
Total Capital Assets Being Depreciated	<u>343,733</u>	<u>95,670</u>	<u>(102,500)</u>	<u>336,903</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(334,224)	(14,750)	102,500	(246,474)
Total Accumulated Depreciation	<u>(334,224)</u>	<u>(14,750)</u>	<u>102,500</u>	<u>(246,474)</u>
Total Capital Assets, Being Depreciated, Net	<u>9,509</u>	<u>80,920</u>	<u>-</u>	<u>90,429</u>
Business-Type Activities Capital Assets, Net	<u>\$ 9,509</u>	<u>\$ 80,920</u>	<u>\$ -</u>	<u>\$ 90,429</u>

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

Governmental Activities:

Instruction	
Regular	\$ 314,440
Special Education	<u>4,929</u>
Total Instruction	<u>319,369</u>
Support Services	
Student and Instruction Related Services	12,252
General Administrative Services	2,253
School Administrative Services	37,497
Central Services & Info. Technology	
Plant Operations and Maintenance	854,527
Pupil Transportation	<u>101,626</u>
Total Support Services	<u>1,008,155</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,327,524</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 14,750</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 14,750</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Remaining Commitment</u>
Energy Savings Improvement Plan (ESIP) Project	\$ 4,148,978
Total	<u>\$ 4,148,978</u>

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 397,013
General Fund	Saturday Happenings Fund	<u>22,583</u>
Total		<u>\$ 419,596</u>

The above balances are the result of expenditures paid by one fund on behalf of another fund or to cover cash balances which were in an overdraft position.

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

Interfund Transfers

	<u>Transfer In:</u>
	Special <u>Revenue Fund</u>
Transfer Out:	
General Fund	<u>\$ 30,860</u>

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Leases Payable

During fiscal year 1995 the District entered into a 30 year lease agreement as lessee for the use of the Shaler Boulevard School. During fiscal years 2000 and 2005 the lease agreement was amended and extended 3 more years for an amended lease term of 33 years through fiscal year 2027. The amended lease liability was recorded in the amount of \$12,140,094. The lease has an interest rate of 4.00%. The District is required to make annual payments of \$506,800 to \$326,400. The District has the option to renew the lease within two years prior to the expiration of the lease term. As of June 30, 2023 the value of the lease liability was \$1,510,502. The building has a 33 year estimated useful life. The value of the right -to-use asset as of June 30, 2023 is \$12,140,094 and had accumulated depreciation of \$10,668,568.

On January 17, 2023, the District entered into a sixty (60) month lease agreement as lessee for the use of a postage machine. An initial lease liability was recorded in the amount of \$9,695. The lease has an interest rate of 5.09%. The District is required to make monthly payments of \$179. In addition, the District has the option to purchase the equipment for fair market value at the end of the lease term. As of June 30, 2023 the value of the lease liability was \$9,143. The equipment has a sixty (60) month estimated useful life. The value of the right -to-use asset as of June 30, 2023 is \$9,695 and had accumulated depreciation of \$462.

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

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 501,248	\$ 5,500	\$ 506,748
2025	350,398	3,750	354,148
2026	338,850	2,497	341,347
2027	327,268	1,280	328,548
2028	<u>1,881</u>	<u>88</u>	<u>1,969</u>
Total	<u>\$ 1,519,645</u>	<u>\$ 13,115</u>	<u>\$ 1,532,760</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

Capital financing agreements at June 30, 2023 are comprised of the following:

\$7,594, fiscal year 2019 Agreement for the acquisition of photocopiers for a term of 4 years due in monthly principal installments of \$139 to \$148 through June 28, 2024, interest at 6.62%	\$ 1,726
\$43,813, fiscal year 2021 Agreement for the acquisition of photocopiers for a term of 5 years due in monthly principal installments of \$751 to \$841 through June 15, 2026, interest at 5.74%	27,818
\$166,787, fiscal year 2023 Agreement for the acquisition of photocopiers for a term of 5 years due in monthly principal installments of \$2,478 to \$3,105 through August 28, 2028, interest at 4.61%	166,787
\$3,492,276, fiscal year 2023 Agreement for the ESIP Projects for a term of 20 years due in annual principal installments of \$100,345 to \$264,202 through July 15, 2042, interest at 4.23%	<u>3,492,276</u>
Total	<u>\$ 3,688,607</u>

The unexpended proceeds from the capital financing agreements, including interest earned on balances which remain on deposit are held with the respective fiscal agents. The following is a summary of balances by account type as of June 30, 2023:

Webster Bank Escrow Account – ESIP Project	<u>\$3,199,046</u>
--	--------------------

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

The maturity schedule of the remaining capital financing agreement payments for principal and interest are as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	Capital Agreements		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 35,666	\$ 7,432	\$ 43,098
2025	253,046	161,430	414,476
2026	247,311	143,433	390,744
2027	134,931	132,916	267,847
2028	147,027	127,046	274,073
2029-2033	722,484	550,220	1,272,704
2034-2038	1,066,569	370,866	1,437,435
2039-2043	<u>1,081,573</u>	<u>135,031</u>	<u>1,216,604</u>
Total	<u>\$ 3,688,607</u>	<u>\$ 1,628,374</u>	<u>\$ 5,316,981</u>

H. 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 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:

\$2,900,000, 2013 Bonds, due in annual installments of \$205,000 to \$220,000 through February 1, 2028, interest at 2.25% to 3.00%	\$1,055,000
\$1,807,000, 2015 Bonds, due in annual installments of \$125,000 to \$150,000 through February 15, 2030, interest at 2.125% to 3.00%	957,000
\$3,540,000, 2015 Refunding Bonds, due in annual installments of \$240,000 to \$250,000 through February 15, 2027, interest at 3.00% to 5.00%	<u>980,000</u>
Total	<u>\$ 2,992,000</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt (Continued)

Intergovernmental Loan Payable

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

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 600,000	\$ 91,635	\$ 691,635
2025	605,000	71,585	676,585
2026	605,000	51,098	656,098
2027	587,000	35,460	622,460
2028	345,000	17,850	362,850
2029-2033	<u>250,000</u>	<u>10,250</u>	<u>260,250</u>
Total	<u>\$ 2,992,000</u>	<u>\$ 277,878</u>	<u>\$ 3,269,878</u>

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	\$ 88,594,168
Less: Net Debt Issued and Authorized But Not Issued	<u>2,992,000</u>
Remaining Borrowing Power	<u>\$ 85,602,168</u>

Deferred Pension Obligation

During the 2008/2009 school year the Board elected to contribute only 50% of its normal and accrued liability components of the Public Employee Retirement System (PERS) obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$414,490 and is being paid back with interest over 15 years beginning in the 2011/2012 fiscal year. The District is permitted to payoff the deferred PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (at 7.00% effective July 1, 2017) at June 30, 2023 is \$24,677.

During the fiscal years ended June 30, 2023, 2022 and 2021 the Board was required to contribute for the deferred pension obligation the following amounts which equaled the required contribution for each year.

Fiscal Year Ending <u>June 30,</u>	<u>PERS</u>
2023	25,474
2022	26,477
2021	25,892

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

I. 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	\$ 3,577,000		\$ 585,000	2,992,000	\$ 600,000
Add: Unamortized Premium	<u>71,736</u>	<u>-</u>	<u>23,549</u>	<u>48,187</u>	<u>-</u>
Total Bonds Payable	3,648,736	-	608,549	3,040,187	600,000
Intergovernmental Loans					
Capital Financing Agreements	\$ 60,978	\$ 3,659,063	31,434	3,688,607	\$ 35,666
Compensated Absences	1,332,016	83,820	71,879	1,343,957	46,200
Leases Payable	2,012,110	9,695	502,160	1,519,645	501,248
Deferred Pension Obligation	28,749	21,392	25,474	24,667	24,667
Net Pension Liability	<u>8,134,773</u>	<u>2,493,094</u>	<u>819,588</u>	<u>9,808,279</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 15,217,362</u>	<u>\$ 6,267,064</u>	<u>\$ 2,667,633</u>	<u>\$ 19,425,342</u>	<u>\$ 1,207,781</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

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

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

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

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

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

The following represent the membership tiers for TPAF:

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

Other Pension Funds

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2023	\$ 819,588	\$ 6,420,425	\$ 7,657
2022	804,184	6,359,917	14,359
2021	750,601	4,642,623	25,012

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2023, 2022 and 2021 the State contributed \$1,848, \$1,705 and \$2,042, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,228,478 during the fiscal year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$9,808,279 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2022. At June 30, 2022, the District's proportionate share was .06499 percent, which was a decrease of .00368 percent from its proportionate share measured as of June 30, 2021 of .06867 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension (benefit) of \$(533,099) for PERS. The pension contribution made by the District during the current 2022/2023 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 70,792	\$ 62,428
Changes of Assumptions	30,389	1,468,688
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	405,956	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>286,818</u>	<u>607,371</u>
Total	<u>\$ 793,955</u>	<u>\$ 2,138,487</u>

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

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (1,331,044)
2024	25,102
2025	(308,807)
2026	278,778
2027	(8,561)
Thereafter	<u>-</u>
	<u>\$ (1,344,532)</u>

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>12,600,765</u>	\$ <u>9,808,279</u>	\$ <u>7,431,761</u>

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

Pension Plan Fiduciary Net Position

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,115,358 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the net pension liability attributable to the District is \$78,600,459. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was .15234 percent, which was a decrease of .00439 percent from its proportionate share measured as of June 30, 2021 of .15673 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

Inflation Rate:

Price	2.75%
Wage	3.25%

Salary Increases:

2.75-5.65%
Based on Years of Service

Investment Rate of Return

7.00%

Mortality Rates

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 92,160,708</u>	<u>\$ 78,600,459</u>	<u>\$ 67,177,653</u>

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

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$1,686,630, \$1,485,934 and \$1,454,926, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$3,220,394. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the OPEB liability attributable to the District is \$71,578,937. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state's share of the OPEB liability attributable to the District was .14133 percent, which was an increase of .00207 percent from its proportionate share measured as of June 30, 2021 of .13926 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

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

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

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

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

Health Care Trend Assumptions

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

Discount Rate

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2021 Measurement Date	\$ <u>83,569,357</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,327,882
Interest on the Total OPEB Liability	1,896,921
Differences Between Expected and Actual Experience	2,805,147
Changes of Assumptions	(19,201,692)
Gross Benefit Payments	(1,878,956)
Member Contributions	60,278
Net Changes	\$ <u>(11,990,420)</u>
Balance, June 30, 2022 Measurement Date	\$ <u><u>71,578,937</u></u>

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

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

Sensitivity of OPEB Liability

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

	1% Decrease (<u>2.54%</u>)	Current Discount Rate (<u>3.54%</u>)	1% Increase (<u>4.54%</u>)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>84,133,511</u>	\$ <u>71,578,937</u>	\$ <u>61,517,074</u>

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability (Continued)

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 59,164,367</u>	<u>\$ 71,578,937</u>	<u>\$ 87,886,229</u>

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

F. Tax Abatements

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

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

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

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

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

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS (Continued)

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

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

The Board has been awarded a total of \$4,201,190 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Property Taxes	\$ 23,478,319		\$ 23,478,319	\$ 23,478,319	
Tuition from Individuals				11,313	\$ 11,313
Tuition from Other LEAs within the State	9,176,139		9,176,139	10,288,442	1,112,303
Interest Earned on Maintenance Reserve	470		470		(470)
Interest Earned on Capital Reserve Funds	550		550		(550)
Interest Earned	-		-	400,710	400,710
Miscellaneous - Restricted	1,960,000		1,960,000	2,159,364	199,364
Miscellaneous - Unrestricted	92,700	-	92,700	283,149	190,449
Total Local	34,708,178	-	34,708,178	36,621,297	1,913,119
State Sources					
Special Education Aid	1,119,247	-	1,119,247	1,119,247	-
Equalization Aid	1,968,319	-	1,968,319	1,968,319	-
Security Aid	96,410	-	96,410	96,410	-
Maintenance of Equity Aid	-	-	-	59,304	59,304
Extraordinary Aid	475,000	-	475,000	866,335	391,335
On-behalf TPAF Contributions (Nonbudgeted)					
Pension Benefit Contribution				6,332,568	6,332,568
Pension - NCGI Premium				87,857	87,857
Post Retirement Medical Benefit Contribution				1,686,630	1,686,630
Long-Term Disability Insurance Premium				1,848	1,848
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	1,228,478	1,228,478
Total State	3,658,976	-	3,658,976	13,446,996	9,788,020
Federal Sources					
Medicaid Reimbursement	58,695	-	58,695	95,197	36,502
FEMA Reimbursement	-	-	-	40,901	40,901
Total Federal Sources	58,695	-	58,695	136,098	77,403
Total Revenues	38,425,849	-	38,425,849	50,204,391	11,778,542
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers:					
Kindergarten	570,520	\$ (29,920)	540,600	510,461	30,139
Grades 1-5	2,452,578	76,317	2,528,895	2,515,198	13,697
Grades 6-8	1,677,657	37,000	1,714,657	1,704,222	10,435
Grades 9-12	3,381,036	(73,836)	3,307,200	3,111,269	195,931
Regular Programs-Home Instruction					
Salaries of Teachers	15,000	-	15,000	3,034	11,966
Purchased Professional Educational Services	3,000	-	3,000	520	2,480
Regular Programs-Undistributed Instruction					
Other Purchased Services	307,046	(51,646)	255,400	197,876	57,524
General Supplies	164,294	(26,013)	138,281	130,665	7,616
Textbooks	15,000	12,435	27,435	16,433	11,002
Other Objects	31,590	2,376	33,966	27,440	6,526
Total Regular Programs	8,617,721	(53,287)	8,564,434	8,217,118	347,316
Behavioral Disabilities					
Salaries of Teachers	123,149	25,899	149,048	149,045	3
Other Salaries for Instruction	45,954	(10,899)	35,055	33,887	1,168
Purchased Professional Educational Services	9,300	-	9,300	7,452	1,848
Other Purchased Services	2,316	-	2,316	311	2,005
General Supplies	5,000	-	5,000	3,209	1,791
Other Objects	700	-	700	80	620
Total Behavioral Disabilities	186,419	15,000	201,419	193,984	7,435

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Multiple Disabilities					
Salaries of Teachers	\$ 1,455,859	\$ (10,000)	\$ 1,445,859	\$ 1,323,535	\$ 122,324
Other Salaries for Instruction	787,465	10,000	797,465	643,601	153,864
Purchased Professional Educational Service	37,750	(23)	37,727	35,046	2,681
Other Purchased Services	7,932	(191)	7,741	4,086	3,655
General Supplies	23,300	3,675	26,975	25,536	1,439
Other Objects	16,800	(4,493)	12,307	2,876	9,431
Total Multiple Disabilities	<u>2,329,106</u>	<u>(1,032)</u>	<u>2,328,074</u>	<u>2,034,680</u>	<u>293,394</u>
Resource Room/Resource Center					
Salaries of Teachers	1,537,674	-	1,537,674	1,411,720	125,954
Other Salaries for Instruction	67,428	-	67,428	35,704	31,724
General Supplies	2,000	-	2,000	165	1,835
Total Resource Room/Resource Center	<u>1,607,102</u>	<u>-</u>	<u>1,607,102</u>	<u>1,447,589</u>	<u>159,513</u>
Autism					
Salaries of Teachers	1,960,458	(14,000)	1,946,458	1,677,846	268,612
Other Salaries for Instruction	958,106	(35,000)	923,106	616,204	306,902
Purchased Professional Educational Services	56,830	(8,000)	48,830	35,831	12,999
Other Purchased Services	21,765	-	21,765	5,676	16,089
General Supplies	59,120	(1,388)	57,732	35,978	21,754
Other Objects	24,810	(1,018)	23,792	4,327	19,465
Total Autism	<u>3,081,089</u>	<u>(59,406)</u>	<u>3,021,683</u>	<u>2,375,862</u>	<u>645,821</u>
Preschool Disabilities - Full-Time					
Salaries of Teachers	189,286	-	189,286	172,879	16,407
Other Salaries for Instruction	119,965	-	119,965	110,718	9,247
Purchased Professional Educational Services	5,400	-	5,400	5,276	124
Other Purchased Services	2,350	-	2,350	1,330	1,020
General Supplies	5,250	-	5,250	3,069	2,181
Other Objects	1,000	-	1,000	39	961
Total Preschool Disabilities - Full-Time	<u>323,251</u>	<u>-</u>	<u>323,251</u>	<u>293,311</u>	<u>29,940</u>
Home Instruction					
Purchased Professional-Educational Services	1,000	2,262	3,262	1,536	1,726
Total Home Instruction	<u>1,000</u>	<u>2,262</u>	<u>3,262</u>	<u>1,536</u>	<u>1,726</u>
Total Special Education	<u>7,527,967</u>	<u>(43,176)</u>	<u>7,484,791</u>	<u>6,346,962</u>	<u>1,137,829</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	126,885	(118)	126,767	80,689	46,078
Total Basic Skills/Remedial - Instruction	<u>126,885</u>	<u>(118)</u>	<u>126,767</u>	<u>80,689</u>	<u>46,078</u>
Bilingual Education - Instruction					
Salaries of Teachers	374,718	118	374,836	374,836	-
Total Bilingual Education - Instruction	<u>374,718</u>	<u>118</u>	<u>374,836</u>	<u>374,836</u>	<u>-</u>
School Sponsored Co/Extra Curricular Activities					
Salaries	196,479	-	196,479	152,524	43,955
Purchased Services	-	13,152	13,152	10,082	3,070
Supplies and Materials	23,000	2,595	25,595	23,817	1,778
Other Objects	59,490	(33,323)	26,167	24,899	1,268
Total School Sponsored Co/Extra Curricular Activities	<u>278,969</u>	<u>(17,576)</u>	<u>261,393</u>	<u>211,322</u>	<u>50,071</u>
School Sponsored Athletics					
Salaries	262,402	-	262,402	258,478	3,924
Purchased Services	21,500	(3,767)	17,733	17,050	683
Supplies and Materials	55,650	486	56,136	56,136	-
Other Objects	52,600	(6,389)	46,211	38,283	7,928
Total School Sponsored Athletics	<u>392,152</u>	<u>(9,670)</u>	<u>382,482</u>	<u>369,947</u>	<u>12,535</u>
Total Instruction	<u>17,318,412</u>	<u>(123,709)</u>	<u>17,194,703</u>	<u>15,600,874</u>	<u>1,593,829</u>

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction (Tuition):					
Tuition to County Voc. School District-Regular	\$ 428,022	-	\$ 428,022	\$ 408,384	\$ 19,638
Tuition to County Voc. School District-Special	54,540	-	54,540	54,540	-
Tuition to CSSD and Regional Day Schools	247,280	\$ (29,776)	217,504	199,313	18,191
Tuition to APSSD Within State	160,680	(35,451)	125,229	3,448	121,781
Tuition - State Facilities	40,270	-	40,270	40,270	-
Total Undistributed Expenditures- Instruction (Tuition)	930,792	(65,227)	865,565	651,415	214,150
Attendance and Social Work					
Salaries	50,580	-	50,580	50,580	-
Total Attendance and Social Work	50,580	-	50,580	50,580	-
Health Services					
Salaries	357,335	(36,000)	321,335	268,011	53,324
Purchased Professional/Technical Services	5,150	153,023	158,173	141,204	16,969
Supplies and Materials	17,075	19,665	36,740	36,097	643
Total Health Services	379,560	136,688	516,248	445,312	70,936
Speech, OT, PT, & Related Services					
Salaries	1,386,045	(95,000)	1,291,045	1,237,391	53,654
Purchased Professional/Educational Services	302,600	167,784	470,384	484,889	(14,505)
Supplies and Materials	7,850	(7,850)	-	-	-
Total Speech, OT, PT & Related Services	1,696,495	64,934	1,761,429	1,722,280	39,149
Other Support Services -Students- Extra Services					
Salaries	2,517,592	156,413	2,674,005	2,667,551	6,454
Purchased Professional/Educational Services	340,625	(166,567)	174,058	30,117	143,941
Total Other Support Services - Students - Extra Services	2,858,217	(10,154)	2,848,063	2,697,668	150,395
Guidance					
Salaries of Other Professional Staff	473,935	(111)	473,824	469,529	4,295
Salaries of Secretarial and Clerical Assistants	44,580	111	44,691	44,691	-
Other Salaries	28,000	(20,000)	8,000	-	8,000
Purchased Professional/Educational Services	12,000	-	12,000	7,986	4,014
Supplies and Materials	3,450	-	3,450	2,462	988
Other Objects	350	-	350	90	260
Total Guidance	562,315	(20,000)	542,315	524,758	17,557
Child Study Team					
Salaries of Other Professional Staff	704,246	-	704,246	662,028	42,218
Salaries of Secretarial and Clerical Assistants	182,340	-	182,340	147,028	35,312
Purchased Professional-Educational Services	17,500	-	17,500	1,825	15,675
Other Purchased Professional & Technical Services	2,000	-	2,000	-	2,000
Other Purchased Services	1,950	(150)	1,800	1,773	27
Travel	-	150	150	-	150
Supplies and Materials	5,900	-	5,900	3,592	2,308
Other Objects	300	-	300	-	300
Total Child Study Team	914,236	-	914,236	816,246	97,990
Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	505,375	-	505,375	493,253	12,122
Salaries of Other Professional Staff	-	165,087	165,087	144,704	20,383
Other Purchased Services	10,000	(569)	9,431	126	9,305
Supplies and Materials	6,800	-	6,800	-	6,800
Other Objects	2,550	5,544	8,094	8,061	33
Total Improvement of Inst. Serv.	524,725	170,062	694,787	646,144	48,643

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Educational Media/School Library					
Salaries	\$ 87,636	-	\$ 87,636	\$ 87,633	\$ 3
Supplies and Materials	3,100	(700)	2,400	1,338	1,062
Total Educational Media/School Library	90,736	(700)	90,036	88,971	1,065
Instructional Staff Training					
Purchased Professional-Educational Services	13,500	(4,610)	8,890	239	8,651
Other Purchased Services	-	-	-	-	-
Total Instructional Staff Training	13,500	(4,610)	8,890	239	8,651
General Administration					
Salaries	441,860	-	441,860	439,430	2,430
Legal Services	60,000	92,028	152,028	127,028	25,000
Audit Fees	49,000	73,127	122,127	72,127	50,000
Architectural/Engineering Services	-	3,000	3,000	3,000	-
Other Purchased Professional Services	46,900	12,570	59,470	59,470	-
Communications/Telephone	118,800	(8,609)	110,191	109,938	253
BOE Other Purchased Services	4,000	(1,429)	2,571	2,571	-
Miscellaneous Purchased Services	183,717	804	184,521	184,145	376
General Supplies	4,550	(2,200)	2,350	2,350	-
BOE In-House Training / Meeting Supplies	2,000	613	2,613	2,612	1
Judgements Against School District	80,000	(80,000)	-	-	-
Miscellaneous Expenditures	4,325	(1,938)	2,387	2,383	4
BOE Membership Dues and Fees	16,700	(829)	15,871	15,871	-
Total General Administration	1,011,852	87,137	1,098,989	1,020,925	78,064
School Administration					
Salaries of Principals/Assistant Principals	972,541	(145,000)	827,541	808,306	19,235
Salaries of Secretarial and Clerical Assistants	258,450	5,439	263,889	261,466	2,423
Purchased Professional/Technical Services	-	350	350	350	-
Other Purchased Services	500	4,804	5,304	3,700	1,604
Supplies and Materials	56,578	14,898	71,476	68,368	3,108
Other Objects	6,950	(884)	6,066	6,065	1
Miscellaneous Expenditures	-	-	-	-	-
Total School Administration	1,295,019	(120,393)	1,174,626	1,148,255	26,371
Central Services					
Salaries	429,408	-	429,408	402,938	26,470
Purchased Professional Services	-	6,900	6,900	6,900	-
Purchased Technical Services	-	6,500	6,500	4,015	2,485
Miscellaneous Purchased Services	10,800	(3,244)	7,556	5,140	2,416
Supplies and Materials	10,400	3,975	14,375	14,372	3
Miscellaneous Expenditures	7,600	105	7,705	7,704	1
Total Central Services	458,208	14,236	472,444	441,069	31,375
Admin. Info. Technology					
Salaries	145,831	(49,500)	96,331	91,713	4,618
Purchased Professional Services	131,400	53,926	185,326	180,222	5,104
Supplies and Materials	105,300	(21,762)	83,538	77,679	5,859
Total Admin. Info. Technology	382,531	(17,336)	365,195	349,614	15,581
Required Maintenance for School Facilities					
Salaries	233,003	-	233,003	218,867	14,136
Cleaning, Repair and Maintenance Services	240,050	137,510	377,560	288,901	88,659
General Supplies	38,600	8,654	47,254	42,934	4,320
Other Objects	850	-	850	450	400
Total Required Maintenance for School Facilities	512,503	146,164	658,667	551,152	107,515
Custodial Services					
Salaries	809,637	-	809,637	739,357	70,280
Purchased Professional/Technical Services	-	4,900	4,900	-	4,900
Rental of Land/Bldgs Other Than Lease Purchase Agreement	509,800	-	509,800	509,800	-
Other Purchased Property Services	57,250	(11,975)	45,275	32,632	12,643
Insurance	174,474	3,047	177,521	177,513	8
General Supplies	81,000	11,088	92,088	88,766	3,322
Energy (Natural Gas)	466,506	40,000	506,506	476,443	30,063
Total Custodial Services	2,098,667	47,060	2,145,727	2,024,511	121,216

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

	Original Budget	Adjustments	Final Budget	Actual	variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Care and Upkeep of Grounds					
Cleaning, Repair, and Maintenance Svc.	\$ 4,000		\$ 4,000	\$ 662	\$ 3,338
General Supplies	4,000	(1,787)	2,213	2,213	-
Total Care and Upkeep of Grounds	8,000	(1,787)	6,213	2,875	3,338
Security					
Salaries of Secretarial and Clerical Assistants	53,760	-	53,760	44,137	9,623
Purchased Professional & Technical Services	166,000	3,242	169,242	109,800	59,442
Cleaning, Repair, and Maintenance Services	4,000	(4,000)			-
Other Purchased Services		5,200	5,200	5,195	5
General Supplies	1,200	1,025	2,225	1,699	526
Total Security	224,960	5,467	230,427	160,831	69,596
Student Transportation Services					
Sal. For Pupil Transportation (Bet. Home & Sch)-Spec.	130,558	17,353	147,911	147,911	-
Sal. For Pupil Transportation (Other Than Bet. Home & Sch)	207,534	(17,353)	190,181	101,944	88,237
Cleaning, Repair & Maint. Services	48,000	1,847	49,847	44,375	5,472
Contracted Services - Aid in Lieu Payments - Choice School		15,330	15,330	15,330	-
Contr. Serv. (Bet. Home & Sch))-Vendor	170,000	84,333	254,333	214,211	40,122
Contr. Serv. (Other Than Bet Home & Sch)-Vendor	10,000	(1,847)	8,153	6,625	1,528
Contr. Serv. (Bet Home & Sch)-Joint Agreements	65,000	(24,330)	40,670		40,670
Contr. Serv. (Spec. Ed. Students)-Vendors	100,000	(34,000)	66,000	54,438	11,562
Miscellaneous Purchased Services - Transportation	14,500	1,044	15,544	15,543	1
General Supplies	7,000	-	7,000	2,039	4,961
Transportation Supplies	40,000	(965)	39,035	36,889	2,146
Other Objects	-	965	965	965	-
Total Student Transportation Services	792,592	42,377	834,969	640,270	194,699
Unallocated Employee Benefits					
Group Insurance	3,000	-	3,000	2,064	936
Social Security Contributions	605,081	-	605,081	542,945	62,136
Other Retirement Contributions - PERS	896,950	-	896,950	845,062	51,888
Other Retirement Contributions - DCRP	31,000	-	31,000	7,657	23,343
Unemployment Compensation	101,000	-	101,000	88,318	12,682
Workers Compensation	247,000	-	247,000	218,471	28,529
Health Benefits	5,583,000	(287,232)	5,295,768	4,865,179	430,589
Tuition Reimbursement	50,000	-	50,000	29,600	20,400
Other Employee Benefits	150,000	-	150,000	125,262	24,738
Unused Sick Payments to Terminated/Retired Staff	105,328	-	105,328	71,879	33,449
Total Unallocated Employee Benefits	7,772,359	(287,232)	7,485,127	6,796,437	688,690
On-behalf TPAF Contributions (Nonbudgeted)					
Pension Benefit Contribution				6,332,568	(6,332,568)
Pension - NCGI Premium				87,857	(87,857)
Post Retirement Medical Benefit Contribution				1,686,630	(1,686,630)
Long-Term Disability Insurance Premium				1,848	(1,848)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	1,228,478	(1,228,478)
Total TPAF On-Behalf	-	-	-	9,337,381	(9,337,381)
Total Undistributed Expenditures	22,577,847	186,686	22,764,533	30,116,933	(7,352,400)
Interest Earned on Maintenance Reserve	470	(470)	-	-	-
Total Current Expenditures	39,896,729	62,507	39,959,236	45,717,807	(5,758,571)
CAPITAL OUTLAY					
Equipment					
Special Education - Instruction					
Multiple Disabilities		14,336	14,336	14,336	-
Autism		9,558	9,558	9,557	1
Undistributed Expenditures					
Central Services	-	1,020	1,020	-	1,020
Total Equipment	-	24,914	24,914	23,893	1,021

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Facilities Acquisition and Construction Services					
Construction Services	\$ 168,000	\$ 83,226	\$ 251,226	\$ 209,025	\$ 42,201
Assessment for Debt Service on SDA Funding	474	-	474	474	-
Total Facilities Acquisition and Construction Services	<u>168,474</u>	<u>83,226</u>	<u>251,700</u>	<u>209,499</u>	<u>42,201</u>
Interest Deposit to Capital Reserve	550	(550)	-	-	-
Assets Acquired Under Capital Financing Agreement and Leases(Nonbudgeted)					
Equipment					
General Administration				9,695	(9,695)
School Administration	-	-	-	166,787	(166,787)
Total Assets Acquired Under Capital Financing Agreements and Leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,482</u>	<u>(176,482)</u>
Total Capital Outlay	<u>169,024</u>	<u>107,590</u>	<u>276,614</u>	<u>409,874</u>	<u>(133,260)</u>
Total Expenditures	<u>40,065,753</u>	<u>170,097</u>	<u>40,235,850</u>	<u>46,127,681</u>	<u>(5,891,831)</u>
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	<u>(1,639,904)</u>	<u>(170,097)</u>	<u>(1,810,001)</u>	<u>4,076,710</u>	<u>5,886,711</u>
Other Financing Sources/(Uses)					
Capital Financing Agreement Proceeds	-	-	-	166,787	166,787
Leases Issues				9,695	9,695
Transfers Out - Special Revenue Fund	-	(30,860)	(30,860)	(30,860)	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>(30,860)</u>	<u>(30,860)</u>	<u>145,622</u>	<u>176,482</u>
Net Change in Fund Balance	<u>(1,639,904)</u>	<u>(200,957)</u>	<u>(1,840,861)</u>	<u>4,222,332</u>	<u>6,063,193</u>
Fund Balances, Beginning of Year	<u>10,411,581</u>	<u>-</u>	<u>10,411,581</u>	<u>10,411,581</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 8,771,677</u>	<u>\$ (200,957)</u>	<u>\$ 8,570,720</u>	<u>\$ 14,633,913</u>	<u>\$ 6,063,193</u>
Recapitulation of Fund Balance					
Restricted Fund Balance					
Capital Reserve				\$ 4,594,317	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,339,103	
Maintenance Reserve				1,322,270	
Tuition Adjustments - 2022/2023				800,000	
Tuition Adjustments - 2021/2022 - Designated for Subsequent Year's Expenditures				800,000	
Excess Surplus				2,836,743	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,594,166	
Assigned Fund Balance					
Year End Encumbrances				163,781	
Unassigned Fund Balance					
				<u>1,183,533</u>	
Fund Balance - Budgetary Basis				14,633,913	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Revenue Not Recognized on GAAP Basis				<u>(1,165,628)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 13,468,285</u>	

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State		\$ 6,600	\$ 6,600	\$ 6,600	
Federal	\$ 601,218	3,284,038	3,885,256	2,178,890	\$ (1,706,366)
Local	-	165,631	165,631	243,645	78,014
Total Revenues	<u>601,218</u>	<u>3,456,269</u>	<u>4,057,487</u>	<u>2,429,135</u>	<u>(1,628,352)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	142,245	380,712	522,957	264,948	258,009
Purchased Professional & Technical Services	-	400	400	-	400
Other Purchased Services	115,925	151,487	267,412	112,111	155,301
General Supplies		507,706	507,706	473,638	34,068
Co-Curricular / Extracurricular Activities	-	146,363	146,363	146,363	-
Athletic Activities		32,039	32,039	32,039	-
Other Objects	-	23,514	23,514	12,526	10,988
Total Instruction	<u>258,170</u>	<u>1,242,221</u>	<u>1,500,391</u>	<u>1,041,625</u>	<u>458,766</u>
Support Services					
Salaries	55,064	281,059	336,123	194,030	142,093
Purchased Professional / Technical Services	173,997	318,353	492,350	254,868	237,482
Other Purchased Services	43,100	94,761	137,861	60,806	77,055
Supplies and Materials	-	510,145	510,145	136,531	373,614
Scholarship Awards	-	9,000	9,000	9,000	-
Total Support Services	<u>272,161</u>	<u>1,213,318</u>	<u>1,485,479</u>	<u>655,235</u>	<u>830,244</u>
Unallocated Benefits					
Personnel Services - Employee Benefits	70,887	225,962	296,849	152,420	144,429
Total Unallocated Benefits	<u>70,887</u>	<u>225,962</u>	<u>296,849</u>	<u>152,420</u>	<u>144,429</u>
Capital Outlay					
Instructional Equipment		94,349	94,349	92,069	2,280
Non-Instructional Equipment	-	83,094	83,094	-	83,094
Construction Services	-	628,185	628,185	438,380	189,805
Total Capital Outlay	<u>-</u>	<u>805,628</u>	<u>805,628</u>	<u>530,449</u>	<u>275,179</u>
Total Expenditures	<u>601,218</u>	<u>3,487,129</u>	<u>4,088,347</u>	<u>2,379,729</u>	<u>1,708,618</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>-</u>	<u>(30,860)</u>	<u>(30,860)</u>	<u>49,406</u>	<u>80,266</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	30,860	30,860	30,860	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>30,860</u>	<u>30,860</u>	<u>30,860</u>	<u>-</u>
Net Changes in Fund Balances	-	-	-	80,266	80,266
Fund Balance, Beginning of Year	<u>208,037</u>	<u>-</u>	<u>208,037</u>	<u>208,037</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 208,037</u>	<u>\$ -</u>	<u>\$ 208,037</u>	<u>\$ 288,303</u>	<u>\$ 80,266</u>
Recapitulation of Fund Balances					
Restricted Fund Balance					
Student Activities				\$ 131,058	
Scholarships				157,245	
				<u>\$ 288,303</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

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

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1, C-2)	\$ 50,204,391	\$ 2,429,135
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances - June 30, 2022, net of cancellations		-
Encumbrances - June 30, 2023		(469,355)
State Aid payments recognized for GAAP purposes not recognized for budgetary statements (2021/2022 State Aid)	1,118,161	
State Aid payments recognized for budgetary purpose not recognized for GAAP statements (2022/2023 State Aid)	<u>(1,165,628)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 50,156,924</u>	<u>\$ 1,959,780</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 46,127,681	\$ 2,379,729
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances - June 30, 2022, net of cancellations		-
Encumbrances - June 30, 2023	<u>-</u>	<u>(469,355)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 46,127,681</u>	<u>\$ 1,910,374</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Ten Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.06499%	0.06867%	0.06861%	0.06911%	0.06551%	0.06194%	0.06011%	0.05995%	0.06122%	0.05919%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 9,808,279	\$ 8,134,773	\$ 11,189,111	\$ 12,452,949	\$ 12,898,536	\$ 14,418,895	\$ 17,804,103	\$ 13,456,915	\$ 11,462,175	\$ 11,312,269
District's Covered Payroll	\$ 4,720,509	\$ 4,855,539	\$ 4,928,570	\$ 4,901,559	\$ 4,750,615	\$ 4,423,947	\$ 4,171,277	\$ 4,036,455	\$ 3,852,382	\$ 3,897,331
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	207.78%	167.54%	227.03%	254.06%	271.51%	325.93%	426.83%	333.38%	297.53%	290.26%
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%	48.52%

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

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

Public Employees Retirement System

Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 819,588	\$ 804,184	\$ 750,601	\$ 672,260	\$ 651,610	\$ 573,818	\$ 534,046	\$ 515,384	\$ 499,478	\$ 451,196
Contributions in Relation to the Contractually Required Contribution	<u>819,588</u>	<u>804,184</u>	<u>750,601</u>	<u>672,260</u>	<u>651,610</u>	<u>573,818</u>	<u>534,046</u>	<u>515,384</u>	<u>499,478</u>	<u>451,196</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	\$ 4,852,274	\$ 4,720,509	\$ 4,855,539	\$ 4,928,570	\$ 4,901,559	\$ 4,750,615	\$ 4,423,947	\$ 4,171,277	\$ 4,036,455	\$ 3,852,382
Contributions as a Percentage of Covered Payroll	16.89%	17.04%	15.46%	13.64%	13.29%	12.08%	12.07%	12.36%	12.37%	11.71%

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

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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>\$ 78,600,459</u>	<u>\$ 75,348,061</u>	<u>\$ 103,215,319</u>	<u>\$ 99,971,792</u>	<u>\$ 104,637,012</u>	<u>\$ 107,055,071</u>	<u>\$ 124,885,079</u>	<u>\$ 98,810,252</u>	<u>\$ 82,839,005</u>	<u>\$ 82,264,814</u>
Total	<u>\$ 78,600,459</u>	<u>\$ 75,348,061</u>	<u>\$ 103,215,319</u>	<u>\$ 99,971,792</u>	<u>\$ 104,637,012</u>	<u>\$ 107,055,071</u>	<u>\$ 124,885,079</u>	<u>\$ 98,810,252</u>	<u>\$ 82,839,005</u>	<u>\$ 82,264,814</u>
District's Covered Payroll	\$ 17,703,310	\$ 17,903,657	\$ 17,263,247	\$ 16,922,780	\$ 16,889,423	\$ 17,086,167	\$ 16,931,433	\$ 15,714,988	\$ 15,728,337	\$ 52,051,155
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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.

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

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Six Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service Cost	\$ 4,327,882	\$ 5,045,919	\$ 2,840,412	\$ 2,929,320	\$ 3,171,091	\$ 3,879,673
Interest on Total OPEB Liability	1,896,921	2,167,877	2,136,367	2,571,178	2,649,847	2,254,098
Changes of Benefit Terms	-	(88,949)				-
Differences Between Expected and Actual Experience	2,805,147	(17,114,320)	15,386,350	(10,007,829)	(4,062,042)	-
Changes of Assumptions	(19,201,692)	82,448	17,376,734	879,616	(7,387,891)	(9,468,733)
Gross Benefit Payments	(1,878,956)	(1,707,680)	(1,656,111)	(1,810,961)	(1,721,490)	(1,766,058)
Member Contributions	<u>60,278</u>	<u>55,422</u>	<u>50,197</u>	<u>53,682</u>	<u>59,497</u>	<u>65,031</u>
Net Change in Total OPEB Liability	(11,990,420)	(11,559,283)	36,133,949	(5,384,994)	(7,290,988)	(5,035,989)
Total OPEB Liability - Beginning	<u>83,569,357</u>	<u>95,128,640</u>	<u>58,994,691</u>	<u>64,379,685</u>	<u>71,670,673</u>	<u>76,706,662</u>
Total OPEB Liability - Ending	<u>\$ 71,578,937</u>	<u>\$ 83,569,357</u>	<u>\$ 95,128,640</u>	<u>\$ 58,994,691</u>	<u>\$ 64,379,685</u>	<u>\$ 71,670,673</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>71,578,937</u>	<u>83,569,357</u>	<u>95,128,640</u>	<u>58,994,691</u>	<u>64,379,685</u>	<u>71,670,673</u>
Total OPEB Liability - Ending	<u>\$ 71,578,937</u>	<u>\$ 83,569,357</u>	<u>\$ 95,128,640</u>	<u>\$ 58,994,691</u>	<u>\$ 64,379,685</u>	<u>\$ 71,670,673</u>
District's Covered Payroll	\$ 22,423,819	\$ 22,759,196	\$ 22,191,817	\$ 21,824,339	\$ 21,640,038	\$ 21,510,114
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.

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

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

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

REVENUES	Title I	Title II A	Title III	Title IV	Perkins	IDEA Basic	IDEA Preschool	Subtotal
State								
Federal	\$ 255,401	\$ 24,955	\$ 40,806	\$ 33,615	\$ 9,931	\$ 307,556	\$ 14,042	\$ 686,306
Local	-	-	-	-	-	-	-	-
Total Revenues	\$ 255,401	\$ 24,955	\$ 40,806	\$ 33,615	\$ 9,931	\$ 307,556	\$ 14,042	\$ 686,306
EXPENDITURES								
Instruction								
Salaries of Teachers	\$ 159,452		\$ -				\$ 14,042	\$ 173,494
Other Purchased Services						\$ 71,020		71,020
General Supplies	1,504		9,049	\$ -	\$ 1,645			12,198
Co-curricular / Extracurricular Activities								-
Athletic Activities				7,740				7,740
Other Objects	-	-	-	-	-	-	-	-
Total Instruction	160,956	-	9,049	7,740	1,645	71,020	14,042	264,452
Support Services								
Salaries	2,000		31,757	25,875	4,167	\$ 3,068		66,867
Personnel Services - Employee Benefits	91,208							91,208
Purchased Prof. / Technical Services	-	\$ 8,951		-	-	191,156		200,107
Other Purchased Services		14,375			4,119	42,312		60,806
Supplies and Materials	1,237	1,629	-	-	-	-	-	2,866
Scholarship Awards	-	-	-	-	-	-	-	-
Total Support Services	94,445	24,955	31,757	25,875	8,286	236,536	-	421,854
Capital Outlay								
Instructional Equipment	-	-	-	-	-	-	-	-
Construction Services	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	255,401	24,955	40,806	33,615	9,931	307,556	14,042	686,306
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, End of Year	-	-	-	-	-	-	-	-

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

REVENUES	ARP <u>Basic</u>	ARP <u>ESSER</u>	ARP <u>Accelerated Learning</u>	ARP <u>Evidence Based Summer Learning</u>	ARP Evidence <u>Based Beyond the School Day</u>	CRRSA <u>ESSER II</u>	CRRSA <u>Accelerated Learning</u>	<u>Subtotal</u>
State								
Federal	\$ 18,802	\$ 1,306,608	\$ 30,000	\$ 36,552	\$ 4,258	\$ 86,465	\$ 9,899	\$ 1,492,584
Local	-	-	-	-	-	-	-	-
Total Revenues	\$ 18,802	\$ 1,306,608	\$ 30,000	\$ 36,552	\$ 4,258	\$ 86,465	\$ 9,899	\$ 1,492,584
EXPENDITURES								
Instruction								
Salaries of Teachers		\$ 10,422		\$ 33,976	-	\$ 35,407	\$ 9,899	\$ 89,704
Other Purchased Services		41,091			-	-		41,091
General Supplies		448,062	-	2,576	-	587		451,225
Co-curricular / Extracurricular Activities								-
Athletic Activities								-
Other Objects	-	-	-	-	\$ 4,258	-	-	4,258
Total Instruction	-	499,575	-	36,552	4,258	35,994	9,899	586,278
Support Services								
Salaries		127,163	-		-			127,163
Personnel Services - Employee Benefits		61,212			-			61,212
Purchased Prof. / Technical Services	\$ 18,802	5,959	\$ 30,000		-	-		54,761
Other Purchased Services					-			-
Supplies and Materials		132,721	-		-	-		132,721
Scholarship Awards	-	-	-	-	-	-	-	-
Total Support Services	18,802	327,055	30,000	-	-	-	-	375,857
Capital Outlay								
Instructional Equipment	-	92,069	-	-	-	-	-	92,069
Construction Services	-	387,909	-	-	-	50,471	-	438,380
Total Capital Outlay	-	479,978	-	-	-	50,471	-	530,449
Total Expenditures	18,802	1,306,608	30,000	36,552	4,258	86,465	9,899	1,492,584
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, End of Year	-	-	-	-	-	-	-	-

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

REVENUES	<u>Climate Change</u>	<u>Local Grants</u>	<u>Student Activities and Athletics</u>	<u>Scholarship</u>	<u>Total per Exhibit E-1</u>	<u>Total per Exhibit E-1a</u>	<u>Total</u>
State	\$ 6,600						\$ 6,600
Federal	-				\$ 686,306	\$ 1,492,584	2,178,890
Local	-	\$ 6,837	\$ 174,575	\$ 62,233	-	-	243,645
Total Revenues	\$ 6,600	\$ 6,837	\$ 174,575	\$ 62,233	\$ 686,306	\$ 1,492,584	\$ 2,429,135
EXPENDITURES							
Instruction							
Salaries of Teachers		\$ 1,750			\$ 173,494	\$ 89,704	\$ 264,948
Other Purchased Services					71,020	41,091	112,111
General Supplies	\$ 6,600	3,615			12,198	451,225	473,638
Co-curricular / Extracurricular Activities			\$ 146,363		-	-	146,363
Athletic Activities			32,039		-	-	32,039
Other Objects	-	528	-	-	7,740	4,258	12,526
Total Instruction	6,600	5,893	178,402	-	264,452	586,278	1,041,625
Support Services							
Salaries					66,867	127,163	194,030
Personnel Services - Employee Benefits					91,208	61,212	152,420
Purchased Prof. / Technical Services					200,107	54,761	254,868
Other Purchased Services					60,806	-	60,806
Supplies and Materials		944			2,866	132,721	136,531
Scholarship Awards	-	-	-	\$ 9,000	-	-	9,000
Total Support Services	-	944	-	9,000	421,854	375,857	807,655
Capital Outlay							
Instructional Equipment					-	92,069	92,069
Construction Services	-	-	-	-	-	438,380	438,380
Total Capital Outlay	-	-	-	-	-	530,449	530,449
Total Expenditures	6,600	6,837	178,402	9,000	686,306	1,492,584	2,379,729
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	(3,827)	53,233	-	-	49,406
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	30,860	-	-	-	30,860
Total Other Financing Sources (Uses)	-	-	30,860	-	-	-	30,860
Net Changes in Fund Balances	-	-	27,033	53,233	-	-	80,266
Fund Balance, Beginning of Year	-	-	104,025	104,012	-	-	208,037
Fund Balance, End of Year	-	-	\$ 131,058	\$ 157,245	-	-	288,303

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

NOT APPLICABLE

CAPITAL PROJECTS FUND

RIDGEFIELD BOARD OF EDUCATION
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Issue/ Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date Prior Years</u>	<u>Current Year</u>	<u>Unexpended Project Balance June 30, 2023</u>
Energy Savings Improvement Plan (ESIP) Project	\$ 4,492,344	\$ -	\$ 293,298	\$ 4,199,046

Reconciliation to GAAP Balance

Project Balance, June 30, 2023	\$ 4,199,046
Less: Unrealized Transfer from Capital Reserve	<u>(1,000,000)</u>
Fund Balance, June 30, 2023 - GAAP basis	<u>\$ 3,199,046</u>

Recapitulation of Fund Balance

Restricted for Capital Projects	
Year End Encumbrances	\$ 4,148,977
Available for Capital Projects	<u>(949,931)</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 3,199,046</u>

**RIDGEFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Revenues and Other Financing Sources	
Interest Earnings	\$ 68
Capital Financing Agreement Proceeds	<u>3,492,276</u>
Total Revenues and Other Financing Sources	<u>3,492,344</u>
Expenditures and Other Financing Uses	
Capital Outlay	
Construction Services	<u>293,298</u>
Total Expenditures and Other Financing Uses	<u>293,298</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	3,199,046
Fund Balance, Beginning of Year	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,199,046</u>
<u>Reconciliation to GAAP</u>	
Fund Balance, End of Year - Budgetary Basis	<u>\$ 3,199,046</u>
Fund Balance, June 30, 2023 - GAAP Basis	<u>\$ 3,199,046</u>

**RIDGEFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
ENERGY SAVINGS IMPROVEMENT PLAN (ESIP) PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Capital Financing Agreement Proceeds		\$ 3,492,276	\$ 3,492,276	\$ 3,492,276
Interest Earnings		68	68	68
Transfer from Capital Reserve	-	-	-	1,000,000
	<u>-</u>	<u>-</u>	<u>-</u>	
Total Revenues and Other Financing Sources	<u>-</u>	<u>3,492,344</u>	<u>3,492,344</u>	<u>4,492,344</u>
Expenditures and Other Financing Uses				
Capital Outlay				
Architectural/Engineering Services			-	40,000
Construction Services		293,298	293,298	4,442,344
General Supplies	-	-	-	10,000
	<u>-</u>	<u>-</u>	<u>-</u>	
Total Expenditures and Other Financing Uses	<u>-</u>	<u>293,298</u>	<u>293,298</u>	<u>4,492,344</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ 3,199,046</u>	<u>\$ 3,199,046</u>	<u>\$ -</u>

ENTERPRISE FUND

SCHEDULE G-1

**RIDGEFIELD BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

SCHEDULE G-2

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

SCHEDULE G-3

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**RIDGEFIELD BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance, June 30, 2023</u>
School Bonds	2/5/2013	\$ 2,900,000	2/1/2024	\$ 205,000	2.25%	\$ 1,255,000		\$ 200,000	\$ 1,055,000
			2/1/2025	205,000	2.25%				
			2/1/2026	210,000	2.25%				
			2/1/2027	215,000	3.00%				
			2/1/2028	220,000	3.00%				
School Bonds	1/28/2015	1,807,000	2/15/2024	150,000	2.125%	1,107,000		150,000	957,000
			2/15/2025	150,000	2.250%				
			2/15/2026	150,000	2.375%				
			2/15/2027	132,000	3.000%				
			2/15/2028	125,000	3.000%				
			2/15/2029	125,000	3.000%				
			2/15/2030	125,000	3.000%				
Refunding School Bonds	12/2/2015	3,540,000	2/15/2024	245,000	5.000%	1,215,000	-	235,000	980,000
			2/15/2025	250,000	5.000%				
			2/15/2026	245,000	3.000%				
			2/15/2027	240,000	3.000%				
						<u>\$ 3,577,000</u>	<u>\$ -</u>	<u>\$ 585,000</u>	<u>\$ 2,992,000</u>
Paid by Budget Appropriation								<u>\$ 585,000</u>	

**RIDGEFIELD BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Purpose</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Balance, June 30, 2023</u>
<u>Capital Financing Agreements:</u>						
2018 Acquisition of Copiers	\$ 98,610	4.89%	\$ 21,586		\$ 21,586	-
2019 Acquisition of Copiers	7,594	6.62%	3,341		1,615	\$ 1,726
2021 Acquisition of Copiers	43,813	5.74%	36,051		8,233	27,818
2023 Acquisition of Copiers	166,787	4.61%	-	\$ 166,787	-	166,787
Energy Saving Improvement Program (ESIP)	3,492,276	4.23%	-	3,492,276	-	3,492,276
Grand Total			<u>\$ 60,978</u>	<u>\$ 3,659,063</u>	<u>\$ 31,434</u>	<u>\$ 3,688,607</u>
<u>Leases Payable:</u>						
Postage Machine	9,897	3.00%	\$ 1,510	-	\$ 1,510	-
School Building (Shaler Boulevard School)	12,140,094	4.00%	2,010,600	-	500,098	\$ 1,510,502
Postage Machine	9,695	5.09%	-	\$ 9,695	552	9,143
Grand Total			<u>\$ 2,012,110</u>	<u>\$ 9,695</u>	<u>\$ 502,160</u>	<u>\$ 1,519,645</u>
				Paid by Budget Appropriation	<u>\$ 533,594</u>	

**RIDGEFIELD BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 597,620		\$ 597,620	\$ 597,620	
State Sources					
State Aid Type II	<u>91,803</u>	<u>-</u>	<u>91,803</u>	<u>91,803</u>	<u>-</u>
Total Revenues	<u>689,423</u>	<u>-</u>	<u>689,423</u>	<u>689,423</u>	<u>-</u>
 EXPENDITURES					
Regular Debt Service					
Interest on Bonds	104,423	-	104,423	104,423	-
Redemption of Bond Principal	<u>585,000</u>	<u>-</u>	<u>585,000</u>	<u>585,000</u>	<u>-</u>
Total Expenditures	<u>689,423</u>	<u>-</u>	<u>689,423</u>	<u>689,423</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,965</u>	<u>\$ (20,965)</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,965</u>	<u>\$ (20,965)</u>

Restricted for Debt Service
Designated for Subsequent Year \$ 20,965

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the 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 District's financial activities take place.

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment In Capital Assets	\$ 2,098,963	\$ 2,212,623	\$ 3,656,164	\$ 4,188,437	\$ 4,322,249	\$ 4,835,164	\$ 5,296,339	\$ 5,978,806	\$ 8,193,711	\$ 8,659,828
Restricted	1,851,025	2,192,589	2,033,055	1,661,600	2,648,387	4,034,638	5,614,164	6,344,658	5,907,591	9,164,958
Unrestricted	(11,385,408)	(11,276,955)	(13,002,895)	(13,795,052)	(13,618,411)	(13,552,221)	(12,354,603)	(11,866,733)	(9,441,357)	(7,426,035)
Total Governmental Activities Net Position	\$ (7,435,420)	\$ (6,871,743)	\$ (7,313,676)	\$ (7,945,015)	\$ (6,647,775)	\$ (4,682,419)	\$ (1,444,100)	\$ 456,731	\$ 4,659,945	\$ 10,398,751
Business-Type Activities										
Net Investment In Capital Assets	\$ 67,051	\$ 52,441	\$ 51,151	\$ 29,485	\$ 16,193	\$ 8,075	\$ 4,152	\$ 2,869	\$ 9,509	\$ 90,429
Restricted										
Unrestricted	252,906	276,464	174,569	95,895	99,463	138,375	186,326	224,531	451,103	531,281
Total Business-Type Activities Net Position	\$ 319,957	\$ 328,905	\$ 225,720	\$ 125,380	\$ 115,656	\$ 146,450	\$ 190,478	\$ 227,400	\$ 460,612	\$ 621,710
District-Wide										
Net Investment In Capital Assets	\$ 2,166,014	\$ 2,265,064	\$ 3,707,315	\$ 4,217,922	\$ 4,338,442	\$ 4,843,239	\$ 5,300,491	\$ 5,981,675	\$ 8,203,220	\$ 8,750,257
Restricted	1,851,025	2,192,589	2,033,055	1,661,600	2,648,387	4,034,638	5,614,164	6,344,658	5,907,591	9,164,958
Unrestricted	(11,132,502)	(11,000,491)	(12,828,326)	(13,699,157)	(13,518,948)	(13,413,846)	(12,168,277)	(11,642,202)	(8,990,254)	(6,894,754)
Total District Net Position	\$ (7,115,463)	\$ (6,542,838)	\$ (7,087,956)	\$ (7,819,635)	\$ (6,532,119)	\$ (4,535,969)	\$ (1,253,622)	\$ 684,131	\$ 5,120,557	\$ 11,020,461

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

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

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

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 12,122,395	\$ 13,905,168	\$ 14,867,592	\$ 16,273,752	\$ 15,999,711	\$ 15,107,076	\$ 14,492,081	\$ 16,810,156	\$ 14,725,524	\$ 14,041,463
Special Education	10,821,587	11,413,437	12,082,598	12,744,598	13,176,320	12,901,995	12,370,936	13,179,210	10,979,504	9,729,898
Other Special Education	480,261	578,320	582,419	345,694	530,157	595,646	519,430	792,855	474,634	718,500
School Sponsored Activities And Athletics	742,480	728,119	771,627	782,762	795,956	744,729	633,712	718,066	778,585	877,003
Support Services:										
Student & Instruction Related Services	5,324,929	7,140,043	8,830,806	11,546,508	12,248,099	11,272,114	10,485,008	10,739,825	10,036,105	10,412,851
General Administration	929,529	1,121,078	1,273,490	1,247,360	1,248,747	1,054,795	1,077,242	1,094,047	1,031,114	1,201,260
School Administrative Services	1,447,400	2,003,753	2,300,397	2,439,979	2,254,948	2,091,202	2,149,064	2,314,844	1,948,785	1,710,973
Central Services and Info. Technology	796,983	882,660	1,031,131	1,025,802	1,105,356	1,029,283	1,056,650	1,183,757	1,077,837	994,148
Plant Operations And Maintenance	3,476,968	3,343,003	3,334,212	3,592,574	3,724,244	3,808,963	3,649,181	3,541,336	3,801,607	3,363,788
Pupil Transportation	632,085	605,601	664,366	710,929	825,445	837,960	721,046	598,876	794,240	813,224
Interest on long-term debt	303,418	315,406	276,025	232,163	207,693	191,308	163,990	137,597	122,801	104,860
Total Governmental Activities Expenses	37,078,035	42,036,588	46,014,663	50,942,121	52,116,676	49,635,071	47,318,340	51,110,569	45,770,736	43,967,968
Business-Type Activities:										
Food service	718,142	689,261	684,198	675,477	641,350	677,225	516,310	432,106	844,984	893,760
Saturday Happenings	271,238	278,432	381,873	378,962	333,192	308,921	257,711	145,666	260,993	270,956
Total Business-Type Activities Expense	989,380	967,693	1,066,071	1,054,439	974,542	986,146	774,021	577,772	1,105,977	1,164,716
Total District Expenses	\$ 38,067,415	\$ 43,004,281	\$ 47,080,734	\$ 51,996,560	\$ 53,091,218	\$ 50,621,217	\$ 48,092,361	\$ 51,688,341	\$ 46,876,713	\$ 45,132,684
Program Revenues										
Governmental Activities:										
Charges for services:										
Instruction	\$ 10,577,992	\$ 10,313,918	\$ 9,948,544	\$ 11,033,118	\$ 11,649,589	\$ 11,722,828	\$ 11,409,159	\$ 10,123,677	\$ 9,172,219	\$ 10,069,715
Support Services	1,586,942	1,723,247	1,988,995	2,067,812	2,188,807	2,165,568	2,070,753	1,653,128	2,102,947	2,235,861
Operating grants and contributions	5,111,328	9,530,959	11,181,811	14,539,944	16,300,048	13,618,948	12,190,483	16,428,417	12,417,481	10,117,028
Capital grants and contributions	73,769	202,000	983,320	5,459	10,327	-	-	43,763	199,761	428,087
Total Governmental Activities Program Revenues	17,350,031	21,770,124	24,102,670	27,646,333	30,148,771	27,507,344	25,670,395	28,248,985	23,892,408	22,850,691
Business-Type Activities:										
Charges for services:										
Food Service	413,430	693,693	348,755	334,249	324,485	349,244	257,562	-	71,462	401,210
Saturday Happenings	332,382	282,256	304,718	294,540	318,379	318,279	283,939	29,473	306,751	299,291
Operating grants and contributions	274,770	-	308,680	324,642	320,309	345,861	273,765	585,173	960,818	596,218
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	1,020,582	975,949	962,153	953,431	963,173	1,013,384	815,266	614,646	1,339,031	1,296,719
Total District Program Revenues	\$ 18,370,613	\$ 22,746,073	\$ 25,064,823	\$ 28,599,764	\$ 31,111,944	\$ 28,520,728	\$ 26,485,661	\$ 28,863,631	\$ 25,231,439	\$ 24,147,410

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental Activities	\$ (19,728,004)	\$ (20,266,464)	\$ (21,911,993)	\$ (23,295,788)	\$ (21,967,905)	\$ (22,127,727)	\$ (21,647,945)	\$ (22,861,584)	\$ (21,878,328)	\$ (21,117,277)
Business-Type Activities	31,202	8,256	(103,918)	(101,008)	(11,369)	27,238	41,245	36,874	233,054	132,003
Total District-Wide Net Expense	<u>\$ (19,696,802)</u>	<u>\$ (20,258,208)</u>	<u>\$ (22,015,911)</u>	<u>\$ (23,396,796)</u>	<u>\$ (21,979,274)</u>	<u>\$ (22,100,489)</u>	<u>\$ (21,606,700)</u>	<u>\$ (22,824,710)</u>	<u>\$ (21,645,274)</u>	<u>\$ (20,985,274)</u>
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property taxes levied for general purposes, net	\$ 18,367,261	\$ 18,734,606	\$ 19,216,798	\$ 19,950,339	\$ 20,717,526	\$ 21,531,657	\$ 22,121,031	\$ 22,566,627	\$ 23,017,960	\$ 23,478,319
Property taxes levied for debt service	301,212	300,291	415,750	818,901	707,287	722,018	713,596	713,507	754,781	597,620
Unrestricted aid and contributions	1,656,830	1,697,776	1,739,574	1,731,810	1,693,906	1,684,227	1,683,265	1,749,206	2,099,630	2,096,217
Investment earnings	29,366	17,736	9,667	13,733	50,108	82,275	75,274	3,817	9,857	400,778
Miscellaneous income	206,375	79,732	88,271	149,666	96,318	72,906	80,684	27,112	199,314	283,149
Transfers										
Special Items	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>20,561,044</u>	<u>20,830,141</u>	<u>21,470,060</u>	<u>22,664,449</u>	<u>23,265,145</u>	<u>24,093,083</u>	<u>24,673,850</u>	<u>25,060,269</u>	<u>26,081,542</u>	<u>26,856,083</u>
Business-Type Activities:										
Investment earnings	862	692	733	668	1,645	3,556	2,783	48	158	6,387
Miscellaneous income										22,708
Transfers	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	<u>862</u>	<u>692</u>	<u>733</u>	<u>668</u>	<u>1,645</u>	<u>3,556</u>	<u>2,783</u>	<u>48</u>	<u>158</u>	<u>29,095</u>
Total District-Wide	<u>\$ 20,561,906</u>	<u>\$ 20,830,833</u>	<u>\$ 21,470,793</u>	<u>\$ 22,665,117</u>	<u>\$ 23,266,790</u>	<u>\$ 24,096,639</u>	<u>\$ 24,676,633</u>	<u>\$ 25,060,317</u>	<u>\$ 26,081,700</u>	<u>\$ 26,885,178</u>
Change In Net Position										
Governmental Activities	\$ 833,040	\$ 563,677	\$ (441,933)	\$ (631,339)	\$ 1,297,240	\$ 1,965,356	\$ 3,025,905	\$ 2,198,685	\$ 4,203,214	\$ 5,738,806
Business-Type Activities	32,064	8,948	(103,185)	(100,340)	(9,724)	30,794	44,028	36,922	233,212	161,098
Total District	<u>\$ 865,104</u>	<u>\$ 572,625</u>	<u>\$ (545,118)</u>	<u>\$ (731,679)</u>	<u>\$ 1,287,516</u>	<u>\$ 1,996,150</u>	<u>\$ 3,069,933</u>	<u>\$ 2,235,607</u>	<u>\$ 4,436,426</u>	<u>\$ 5,899,904</u>

Source: District financial statements

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

	2014	2015	2016	2017	Fiscal Year Ended June 30,		2020	2021	2022	2023
					2018	2019				
General Fund										
Restricted	\$ 1,949,361	\$ 2,276,311	\$ 1,987,000	\$ 1,615,545	\$ 3,015,452	\$ 5,115,859	\$ 7,447,253	\$ 8,342,760	\$ 8,122,347	\$ 13,286,599
Committed								-	-	
Assigned	487,665	740,305	225,062	361,909	543,682	265,097	809,349	346,769	326,269	163,781
Unassigned	<u>164,944</u>	<u>124,418</u>	<u>(3,366)</u>	<u>76,752</u>	<u>83,095</u>	<u>108,198</u>	<u>88,229</u>	<u>814,671</u>	<u>844,804</u>	<u>17,905</u>
Total General Fund	<u>\$ 2,601,970</u>	<u>\$ 3,141,034</u>	<u>\$ 2,208,696</u>	<u>\$ 2,054,206</u>	<u>\$ 3,642,229</u>	<u>\$ 5,489,154</u>	<u>\$ 8,344,831</u>	<u>\$ 9,504,200</u>	<u>\$ 9,293,420</u>	<u>\$ 13,468,285</u>
All Other Governmental Funds										
Restricted	<u>\$ 2,098,351</u>	<u>\$ 2,994,228</u>	<u>\$ 130,416</u>	<u>\$ 74,757</u>	<u>\$ 32,935</u>	<u>\$ 4,233</u>	<u>\$ -</u>	<u>\$ 211,539</u>	<u>\$ 229,002</u>	<u>3,508,314</u>
Total All Other Governmental Funds	<u>\$ 2,098,351</u>	<u>\$ 2,994,228</u>	<u>\$ 130,416</u>	<u>\$ 74,757</u>	<u>\$ 32,935</u>	<u>\$ 4,233</u>	<u>\$ -</u>	<u>\$ 211,539</u>	<u>\$ 229,002</u>	<u>\$ 3,508,314</u>

96

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

Source: District financial statements

RIDGEFIELD BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Unaudited)

(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 18,668,473	\$ 19,034,897	\$ 19,632,548	\$ 20,769,240	\$ 21,424,813	\$ 22,253,675	\$ 22,834,627	\$ 23,280,134	\$ 23,772,741	\$ 24,075,939
Tuition Charges	10,519,040	10,385,640	9,922,070	10,970,846	11,454,863	11,799,369	11,398,576	9,901,962	8,655,186	10,299,755
Interest Earnings	29,366	11,343	9,667	13,733	50,108	82,275	75,274	3,817	9,857	400,778
Miscellaneous	1,839,884	1,934,739	2,143,371	2,271,016	2,399,770	2,285,529	2,190,389	1,769,580	2,448,664	2,686,158
State Sources	6,046,248	7,007,392	8,186,861	7,774,191	8,674,120	9,253,448	9,512,523	10,967,981	13,150,627	13,497,932
Federal Sources	741,077	666,039	868,032	832,167	787,732	842,764	767,388	1,412,662	1,925,134	1,845,633
Total Revenue	37,844,088	39,040,050	40,762,549	42,631,193	44,791,406	46,517,060	46,778,777	47,336,136	49,962,209	52,806,195
Expenditures										
Instruction										
Regular Instruction	11,952,495	12,129,537	12,422,906	12,677,897	12,519,366	12,936,922	12,864,997	14,399,601	15,205,953	15,150,287
Special Education Instruction	10,805,134	10,401,121	10,580,814	10,468,913	10,729,506	11,341,704	11,253,103	11,538,266	11,555,621	10,757,881
Other Special Instruction	479,365	505,703	488,692	269,415	416,666	512,760	488,530	679,185	502,121	798,589
School Sponsored Activities And Athletics	741,446	720,468	741,526	718,938	712,502	679,784	604,251	660,494	805,223	933,494
Support Services:										
Student & Inst. Related Services	5,309,257	6,496,514	7,730,920	9,550,246	10,058,865	9,989,876	9,604,030	9,502,572	10,518,897	11,425,860
General Administration	926,596	1,081,292	1,081,767	1,106,180	1,108,874	995,960	1,020,976	1,019,669	1,059,866	1,266,131
School Administrative Services	1,418,902	1,757,901	1,934,575	1,926,689	1,780,143	1,805,440	1,923,444	1,988,649	2,021,293	1,851,528
Central Services and Info. Technology	795,627	845,270	936,202	881,184	939,482	942,598	984,512	1,068,736	1,120,375	1,071,148
Plant Operations And Maintenance	2,971,328	2,911,056	2,957,830	2,898,610	2,965,911	3,135,825	3,055,526	2,876,262	3,086,272	2,651,757
Pupil Transportation	608,157	580,340	611,742	631,008	712,402	729,685	633,576	500,366	717,903	745,940
Capital Outlay	2,842,862	1,009,193	3,892,273	530,791	264,002	515,666	323,398	964,293	2,084,226	1,135,521
Debt Service:										
Principal	649,299	672,746	815,987	925,292	906,227	985,426	977,931	858,832	1,332,024	1,118,594
Interest And Other Charges	322,833	300,969	260,761	256,179	237,937	223,189	193,259	164,527	145,752	114,046
Payment to Escrow Agent			823,736							
Bond Issuance Costs			100,918							
Total Expenditures	39,823,301	39,412,110	45,380,649	42,841,342	43,351,883	44,794,835	43,927,333	46,221,452	50,155,526	49,020,776
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	(1,979,213)	(372,060)	(4,618,100)	(210,149)	1,439,523	1,722,225	2,851,444	1,114,684	(193,317)	3,785,419
Other Financing Sources (Uses)										
Capital Financing Agreement Proceeds					106,678	95,998		43,810		3,659,063
Other Financing Agreement Proceeds			721,032							
Leases Issued										9,695
Bond Proceeds		1,807,000	3,540,000							
Premiums on Refund Bond			370,100							
Payments to Refunding Escrow Agent			(3,809,182)							
Transfers In	383,166	388,393	1,241,394	145,051	39,794		28,702	45,311	18,932	30,860
Transfers Out	(383,166)	(388,393)	(1,241,394)	(145,051)	(39,794)		(28,702)	(45,311)	(18,932)	(30,860)
Total Other Financing Sources (Uses)	-	1,807,000	821,950	-	106,678	95,998	-	43,810	-	3,668,758
Net Change In Fund Balances	\$ (1,979,213)	\$ 1,434,940	\$ (3,796,150)	\$ (210,149)	\$ 1,546,201	\$ 1,818,223	\$ 2,851,444	\$ 1,158,494	\$ (193,317)	\$ 7,454,177
Debt Service As A Percentage Of										
Noncapital Expenditures	2.63%	2.54%	2.60%	2.79%	2.66%	2.73%	2.69%	2.26%	3.07%	2.57%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

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

Fiscal Year Ended June 30,	Interest Earned	Tuition	One to One Aides	OT/PT Fees	Rentals	Prior Year Refunds	Gate Receipts	E-Rate	Miscellaneous	Total
2014	21,200	10,519,040	997,607	581,300	5,050	6,039	\$ 960		194,326	12,325,522
2015	11,343	10,385,640	1,104,329	642,520	6,595	33,168	1,616		38,353	12,223,564
2016	7,009	9,922,070	1,305,992	661,515	4,731	12,847	3,788		66,905	11,984,857
2017	13,519	10,970,846	1,324,911	723,000	3,181	23,646	4,646	\$ 67,111	25,241	13,156,101
2018	50,108	11,454,863	1,521,911	713,240	7,504	3,171	2,663	39,435	43,545	13,836,440
2019	82,275	11,799,369	1,421,246	734,459	2,332	18,631	2,734		49,206	14,110,252
2020	75,274	11,398,576	1,297,713	775,177	2,958	24,377	1,876		51,473	13,627,424
2021	3,817	9,901,962	1,058,378	583,190		26,349			763	11,574,459
2022	9,857	8,655,186	1,494,254	601,218	1,178	78,041		9,090	103,042	10,951,866
2023	400,710	10,299,755	1,517,046	642,318		158,850	4,351	29,418	90,530	13,142,978

Source: District financial statements

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

Fiscal Year Ended June 30.	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (%)
2014	66,647,700	969,087,300			228,534,300	241,862,300	67,803,300	1,573,934,900	972,615	1,574,907,515	1,840,932,433	1.197
2015	67,049,100	971,054,400			207,532,400	229,677,300	67,803,300	1,543,116,500	972,615	1,544,089,115	1,749,024,041	1.252
2016	62,463,100	977,005,200			207,056,600	227,558,900	67,523,300	1,541,607,100	1,096,408	1,542,703,508	1,829,594,925	1.309
2017	58,217,700	981,405,900			205,872,200	249,934,400	67,523,300	1,562,953,500	1,018,288	1,563,971,788	1,865,603,149	1.333
2018	57,699,500	982,878,900			204,896,500	249,934,400	67,523,300	1,562,932,600	1,018,288	1,563,950,888	1,955,370,692	1.396
2019	57,395,500	985,234,100			204,132,000	248,190,100	67,790,800	1,562,742,500	985,163	1,563,727,663	1,949,653,816	1.441
2020	59,621,800	988,414,500			190,107,600	251,573,600	68,540,800	1,558,258,300	978,508	1,559,236,808	1,977,396,289	1.479
2021	59,541,900	993,625,000			195,454,700	250,348,100	68,740,800	1,567,710,500	947,288	1,568,657,788	2,091,806,103	1.500
2022	96,384,500	1,538,266,500			290,963,700	423,623,500	122,104,000	2,471,342,200	1,262,735	2,472,604,935	2,386,908,424	0.969
2023	96,235,800	1,576,763,900			305,406,300	460,468,700	123,857,800	2,562,732,500	1,296,697	2,564,029,197	2,443,942,014	0.954

Source: County Abstract of Ratables

Note 1: The Borough undertook a reassessment of real property effective for the 2022 calendar year.

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

Calendar Year	Total Direct School Tax Rate	Overlapping Rates			Total Direct and Overlapping Tax Rate
	Ridgefield Local School District	Municipality of Ridgefield	Municipal Library	County of Bergen	
2014	\$ 1.197	\$ 0.591	\$ 0.038	\$ 0.273	\$ 2.099
2015	1.252	0.604	0.038	0.270	2.164
2016	1.309	0.619	0.037	0.273	2.238
2017	1.333	0.654	0.039	0.298	2.324
2018	1.396	0.674	0.041	0.306	2.417
2019	1.441	0.694	0.041	0.304	2.480
2020	1.479	0.703	0.042	0.314	2.538
2021	1.500	0.709	0.044	0.335	2.588
2022	0.969	0.462	0.030	0.234	1.695
2023	0.954	0.462	0.029	0.228	1.673

Source: County Abstract of Ratables

Note 1: The Borough undertook a reassessment of real property effective for the 2022 calendar year.

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

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
PSEG Power LLC	\$ 73,880,200	2.88%	\$ 33,693,400	2.14%
Ratner/NY Urban LLC			35,068,600	2.23%
Hudson Transmission Partners			22,936,400	1.46%
Genzyme Biosurgery	30,385,500	1.19%	22,936,400	1.46%
FNL Realty LP	36,207,400	1.41%	19,532,000	1.24%
CSX			19,289,700	1.22%
Ridgefield Industrial LLC	34,111,600	1.33%	18,158,900	1.15%
DCT 101 RRNJ LLC			17,837,300	1.13%
Ridgefield Holding Corp.	32,865,700	1.28%	17,707,700	1.12%
PSEG Fossil LLC			17,000,500	1.08%
Marvin F. Poer & Company	36,284,500	1.42%		
QBL NJ 101 Railroad LLC	41,336,200	1.61%		
BSREP III Ridgefield , LLC	25,624,500	1.00%		
SF Hillside Village	59,456,300	2.32%		
Ridgefield Storage, LLC	20,966,600	0.82%		
	<u>\$ 391,118,500</u>	<u>15.26%</u>	<u>\$ 224,160,900</u>	<u>14.23%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 18,668,473	\$ 18,668,473	100.00%	N/A
2015	19,034,897	19,034,897	100.00%	N/A
2016	19,632,548	19,632,548	100.00%	N/A
2017	20,769,240	20,769,240	100.00%	N/A
2018	21,424,813	21,424,813	100.00%	N/A
2019	22,253,675	22,253,675	100.00%	N/A
2020	22,834,627	22,834,627	100.00%	N/A
2021	23,280,134	23,280,134	100.00%	N/A
2022	23,772,741	23,772,741	100.00%	N/A
2023	24,075,939	24,075,939	100.00%	N/A

Source: District records

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

Governmental Activities						
Fiscal Year Ended June 30,	General Obligation Bonds	Capital and Other Financing Agreements	Lease Contracts Payable	Total District	<u>Population</u>	<u>Per Capita</u>
2014	\$ 8,538,000	\$ 118,733		\$ 8,656,733	11,217	772
2015	9,730,000	60,987		9,790,987	11,227	872
2016	8,107,000	721,032		8,828,032	11,253	785
2017	7,342,000	560,740		7,902,740	11,256	702
2018	6,627,000	476,191		7,103,191	11,272	630
2019	5,897,000	316,763		6,213,763	11,239	553
2020	5,147,000	88,832		5,235,832	11,189	468
2021	4,377,000	90,808	\$ 2,514,304	6,982,112	11,125	628
2022	3,577,000	60,978	2,012,110	5,650,088	11,421	495
2023	2,992,000	3,688,607	1,519,645	8,200,252	11,392	720

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 8,538,000	\$ 1,620,835	\$ 6,917,165	0.44%	617
2015	9,730,000	1,238,835	8,491,165	0.55%	756
2016	8,107,000	46,154	8,060,846	0.52%	716
2017	7,342,000	46,154	7,295,846	0.47%	648
2018	6,627,000	32,935	6,594,065	0.42%	585
2019	5,897,000	4,233	5,892,767	0.38%	524
2020	5,147,000	-	5,147,000	0.33%	460
2021	4,377,000	2	4,376,998	0.28%	393
2022	3,577,000	20,965	3,556,035	0.14%	311
2023	2,992,000	20,965	2,971,035	0.12%	261

Source: District records

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

	<u>Total Debt</u>
Municipal Debt: (1)	
Ridgefield Board of Education (as of June 30, 2023)	\$ 2,992,000
Borough of Ridgefield	<u>29,418,241</u>
	<u>32,410,241</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	18,501,151
Bergen County Utilities Authority -	
Water Pollution (B)	<u>5,661,706</u>
	<u>24,162,857</u>
Total Direct and Overlapping Debt	<u><u>\$ 56,573,098</u></u>

Source:

(1) Borough's 2022 Annual Debt Statement

(A) The debt for this entity was apportioned to the Borough by dividing the municipality's 2022 equalized value by the total 2021 equalized value for Bergen County.

(B) The debt was computed based upon dividing the Borough's 2022 billings by the total 2022 billings of the Authority.

**RIDGEFIELD BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis
	2020 \$ 2,067,478,174
	2021 2,276,663,520
	2022 2,300,420,925
	<u> \$ 6,644,562,619</u>
Average equalized valuation of taxable property	<u> \$ 2,214,854,206</u>
Debt limit (4% of average equalization value)	\$ 88,594,168
Total Net Debt Applicable to Limit	<u> 2,992,000</u>
Legal debt margin	<u> \$ 85,602,168</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 72,032,894	\$ 71,457,620	\$ 70,354,482	\$ 70,720,878	\$ 73,022,109	\$ 76,125,671	\$ 78,028,007	\$ 79,684,423	\$ 84,204,205	\$ 88,594,168
Total net debt applicable to limit	<u>8,538,000</u>	<u>9,730,538</u>	<u>8,107,538</u>	<u>7,342,000</u>	<u>6,627,000</u>	<u>5,897,000</u>	<u>5,147,000</u>	<u>4,377,000</u>	<u>3,577,000</u>	<u>2,992,000</u>
Legal debt margin	<u>\$ 63,494,894</u>	<u>\$ 61,727,082</u>	<u>\$ 62,246,944</u>	<u>\$ 63,378,878</u>	<u>\$ 66,395,109</u>	<u>\$ 70,228,671</u>	<u>\$ 72,881,007</u>	<u>\$ 75,307,423</u>	<u>\$ 80,627,205</u>	<u>\$ 85,602,168</u>
Total net debt applicable to the limit as a percentage of debt limit	11.85%	13.62%	11.52%	10.38%	9.08%	7.75%	6.60%	5.49%	4.25%	3.38%

Source: Annual Debt Statements

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

Year	Population	County Per Capita Personal Income	Unemployment Rate
2014	11,217	\$ 71,773	5.40%
2015	11,227	71,286	4.30%
2016	11,253	73,883	3.90%
2017	11,256	77,323	3.40%
2018	11,272	78,836	3.10%
2019	11,239	81,024	2.70%
2020	11,129	85,191	11.30%
2021	11,125	88,241	6.20%
2022	11,421	91,972	3.30%
2023	11,392	97,343	N/A

Source: New Jersey State Department of Education

(E) - Estimate

N/A - Not Available

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

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

INFORMATION NOT AVAILABLE

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction	240	239	240	242	242	241	242	242	240	189
Support Services:										
Student & instruction related services	61	63	68	68	68	81	88	88	79	115
General administration	3	5	5	5	5	3	3	3	3	3
School administrative services	12	13	13	13	13	12	12	12	11	11
Central and other support services	7	8	8	8	8	8	8	8	8	8
Security						3	4	1	1	1
Plant operations and maintenance	17	17	17	17	17	17	17	17	16	18
Pupil transportation	7	7	7	7	7	6	6	4	4	4
Saturday Happenings	13	14	14	14	16			15	15	15
OT/PT Services	14	14	14	14	13	18	15		4	4
Total	<u>374</u>	<u>380</u>	<u>386</u>	<u>388</u>	<u>389</u>	<u>389</u>	<u>395</u>	<u>390</u>	<u>381</u>	<u>368</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	High School				
2014	1,733.0	36,008,307	20,778	5.63%	197	1:10.4	1:6.6	1,766.6	1,672.3	-2.18%	94.66%
2015	1,774.0	37,429,202	21,099	1.54%	198	1:10.15	1:9.3	1,754.0	1,635.0	-0.71%	93.22%
2016	1,700.0	39,486,974	23,228	10.09%	199	1:8.35	1:8.96	1,717.0	1,627.0	-2.11%	94.76%
2017	1,696.0	41,129,080	24,251	4.40%	201	1:9.46	1:6.85	1,696.0	1,609.0	-1.22%	94.87%
2018	1,665.0	41,943,717	25,191	3.88%	197	1:8.32	1:8.69	1,660.0	1,576.0	-2.12%	94.94%
2019	1,689.0	43,070,554	25,501	1.23%	197	1:5.96	1:8.33	1,699.0	1,609.0	2.35%	94.70%
2020	1,666.0	42,432,745	25,470	-0.12%	197	1:9.18	1:6.83	1,680.2	1,614.3	-1.11%	96.08%
2021	1,614.0	44,233,800	27,406	7.60%	197	1:9.18	1:6.83	1,614.0	1,531.3	-3.94%	94.88%
2022	1,563.0	46,593,524	29,810	8.77%	198	1:7.90	1:7.87	1,563.3	1,440.7	-3.14%	92.16%
2023	1,586.0	46,652,615	29,415	-1.33%	189	1:8.04	1:6.78	1,569.4	1,467.5	0.39%	93.51%

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.

**RIDGEFIELD BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
Shaler Academy (Leased)										
Square Feet	33,042	33,042	33,042	33,042	33,042	33,042	33,042	33,042	33,042	33,042
Capacity (students)	225	225	225	225	225	225	225	225	225	225
Enrollment	201	180	190	177	182	196	188	163	159	160
Bergen Boulevard School										
Square Feet	28,125	28,125	28,125	30,167	30,167	30,167	30,167	30,167	30,167	30,167
Capacity (students)	325	325	325	339	339	339	339	339	339	339
Enrollment	213	231	214	206	187	203	231	202	196	210
Slocum/Skewes School										
Square Feet	80,107	80,107	80,107	80,107	80,107	80,107	80,107	80,107	80,107	80,107
Capacity (students)	875	875	875	875	875	875	875	875	875	875
Enrollment ^a	793	766	730	771	740	775	762	735	704	672
<u>High School</u>										
Square Feet	87,850	87,850	87,850	87,850	87,850	87,850	87,850	87,850	87,850	87,850
Capacity (students)	725	725	725	725	725	725	725	725	725	725
Enrollment	562	555	553	541	551	525	485	514	503	544

Number of Schools at June 30, 2023

 Elementary = 3

 High School = 1

Source: District Records

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

		Gross Building Area (SF)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
*School Facilities	<u>Project # (s)</u>											
Ridgefield Memorial High	N/A	87,850	\$ 186,741	\$ 179,726	\$ 129,276	\$ 192,356	\$ 212,267	\$ 252,529	\$ 255,387	\$ 183,177	\$ 391,405	\$ 173,092
Bergen Boulevard School	N/A	28,125	59,785	57,539	114,782	61,582	67,957	80,847	81,762	58,643	125,306	23,695
Shale Academy	N/A	33,042	70,237	67,598	38,314	72,349	79,837	94,981	96,056	68,896	147,214	113,461
Slocum/Skewes School	N/A	80,107	<u>170,282</u>	<u>163,886</u>	<u>200,447</u>	<u>175,402</u>	<u>193,558</u>	<u>230,271</u>	<u>232,877</u>	<u>167,032</u>	<u>356,906</u>	<u>240,904</u>
Grand Total			<u>\$ 487,045</u>	<u>\$ 468,749</u>	<u>\$ 482,819</u>	<u>\$ 501,689</u>	<u>\$ 553,619</u>	<u>\$ 658,628</u>	<u>\$ 666,082</u>	<u>\$ 477,748</u>	<u>\$ 1,020,831</u>	<u>\$ 551,152</u>

Source: District Records

N/A - Not Available

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

	<u>Coverage</u>		<u>Deductible</u>
Property - Blanket Buildings & Contents	\$ 35,189,717		\$ 5,000
Property - Extra Expense	5,000,000		
Comprehensive General Liability	\$1,000,000 per occurrence/ \$2,000,000 Aggregate		
Auto Liability	1,000,000		
School Board Legal Liability	1,000,000		
Employees Legal Liability Coverage	1,000,000		
Excess Liability	9,000,000		
Environmental Liability	\$4,000,000 Aggregate		
Workers Compensation	Statutory		
Student Accident	5,000,000		
Comprehensive Crime Coverage			
Public Employee Dishonesty	100,000	Per Theft	100,000
	500,000	Per Loss	500,000
Computer Fraud	100,000		1,000
Forgery and Alteration	100,000		1,000
Funds Transfer Fraud	100,000		1,000
Cyber Liability Coverages			
Limit of Liability	1,000,000		15,000
Surety Bonds			
School Business Administrator	275,000		
Assistant School Business Administrator	265,000		

Source: School District records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund of the Ridgefield Board of Education as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Ridgefield Board of Education's basic financial statements and have issued our report thereon dated December 19, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Ridgefield Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 19, 2023.

Purpose of this Report

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

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 19, 2023



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

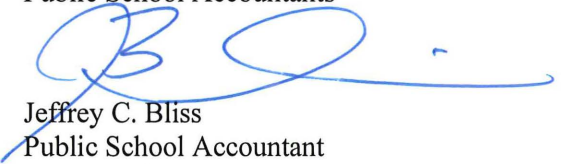
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund of the Ridgefield Board of Education, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated December 19, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

LERCH, VINCI & BLISS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 19, 2023

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN	Grant Period	Award Amount	Balance July 1, 2022			Unearned Revenue Carryover Amount and Transfers	Account Receivable Carryover Amount and Transfers	Cash Received	Budgetary Expenditures	Adjustment	Balance, June 30, 2023			Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Account Receivable)	Unearned Revenue	Due to Grantor	
(A)																
U.S. Department of Agriculture																
Passed-through State Department of Agriculture																
Enterprise Fund:																
Child Nutrition Cluster																
National School Breakfast Program																
Cash Assistance	10.553	231NJ304N1099	7/1/22-6/30/23	\$ 73,686					\$ 57,464	\$ 73,686		\$ (16,222)			\$ (16,222)	
Cash Assistance	10.553	221NJ304N1099	7/1/21-6/30/22	138,669	(16,102)				16,102			-			-	
National School Lunch Program																
Non-Cash Assistance	10.555	231NJ304N1099	7/1/22-6/30/23	82,697					82,697	81,294			\$ 1,403		-	
Non-Cash Assistance	10.555	221NJ304N1099	7/1/21-6/30/22	75,177		\$ 1,243				1,243					-	
Cash Assistance	10.555	231NJ304N1099	7/1/22-6/30/23	339,207					274,606	339,207		(64,601)			(64,601)	
Cash Assistance	10.555	221NJ304N1099	7/1/21-6/30/22	728,395	(49,293)				49,293			-			-	
Supply Chain Assistance			7/1/22-9/30/23	83,830	-	-	-	-	83,830	83,830		-	-	-	-	
Total U.S. Department of Agriculture/Child Nutrition Cluster					(65,395)	1,243	-	-	563,992	579,260	-	(80,823)	1,403	-	(80,823)	
U.S. Department of Education																
Passed-through State Department of Education																
SPECIAL REVENUE FUND																
Special Education Cluster (IDEA)																
I.D.E.A. Part B, Basic Regular	84.027A	H027A220100	7/1/22-9/30/23	\$ 336,360			\$ 218,528	\$ (218,528)	151,131	293,781		(403,757)	261,107		(142,650)	
I.D.E.A. Part B, Basic Regular	84.027A	H027A210100	7/1/21-9/30/22	362,655	(235,159)	232,303		218,528	16,631	13,775		-	-		-	
I.D.E.A. Part B, ARP Basic	84.027X	H027X210100	7/1/21-9/30/22	77,142	(77,142)	18,802			73,494	18,802		(3,648)	-		(3,648)	
I.D.E.A. Part B, Preschool	84.173	H173A220114	7/1/22-9/30/23	21,203					12,198	14,042		(9,005)	7,161		(1,844)	
I.D.E.A. Part B, Preschool	84.173	H173A210114	7/1/21-9/30/22	20,322	(14,684)				14,684			-	-		-	
I.D.E.A. Part B, ARP Preschool	84.173X	H173X210114	7/1/21-9/30/22	6,567	(6,567)	370			6,197			(370)	370		-	
Total Special Education Cluster IDEA					(333,552)	251,475	-	-	274,335	340,400	-	(416,780)	268,638	-	(148,142)	
ESEA																
Title I	84.010	S010A220030	7/1/22-9/30/23	357,205			26,359	(26,359)	45,428	255,401		(338,136)	128,163		(209,973)	
Title I	84.010	S010A210030	7/1/21-9/30/22	266,416	(204,973)	26,359		(26,359)	178,614			-	-		-	
Total ESEA Title I					(204,973)	26,359	-	-	224,042	255,401	-	(338,136)	128,163	-	(209,973)	
Title II, Part A	84.367A	S367A220029	7/1/22-9/30/23	59,428			28,586	(28,586)	15,220	18,576		(72,794)	69,438		(3,356)	
Title II, Part A	84.367A	S367A210029	7/1/21-9/30/22	49,126	(35,134)	34,965		(28,586)	6,548	6,379		-	-		-	
Total ESEA Title II					(35,134)	34,965	-	-	21,768	24,955	-	(72,794)	69,438	-	(3,356)	
Title III	84.365A	S365A220030	7/1/22-9/30/23	29,200			19,404	(19,404)	21,799	36,149		(26,805)	12,455		(14,350)	
Title III	84.365A	S365A210030	7/1/21-9/30/22	30,578	(23,710)	24,061		(19,404)	4,306	4,657		-	-		-	
Title III Immigrant	84.365A	S365A210030	7/1/21-9/30/22	-	(10,283)	10,283			1,848			-	-	\$ 1,848	-	
Total ESEA Title III					(33,993)	34,344	-	-	27,953	40,806	-	(26,805)	12,455	1,848	(14,350)	
Title IV	84.424	S424A220031	7/1/22-9/30/23	23,056			12,520	(12,520)	20,446	31,186		(15,130)	4,390		(10,740)	
Title IV	84.424	S424A210031	7/1/21-9/30/22	22,428	(12,520)	14,949		(12,520)	-	2,429		-	-		-	
Total ESEA Title IV					(12,520)	14,949	-	-	20,446	33,615	-	(15,130)	4,390	-	(10,740)	
Carl D. Perkins Vocation Education	84.048A	V048A220030	7/1/22-6/30/23	13,449					8,430	9,931		(5,019)	3,518		(1,501)	
Carl D. Perkins Vocation Education	84.048A	V048A210030	7/1/21-6/30/22	20,451	(6,543)	6,543			-	-		-	-		-	
Total Perkins					(6,543)	6,543	-	-	8,430	9,931	-	(5,019)	3,518	-	(1,501)	
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act																
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	1,007,122	(555,557)	222,011			450,167	86,465		(105,390)	135,546		-	
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	64,632	(19,552)	9,899			19,551	9,899		(1)	-		(1)	
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(45,000)				45,000			-	-		-	
American Rescue Plan Consolidated																
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	2,263,441	(2,263,441)	2,203,086			646,449	1,306,608		(1,616,992)	896,478		(720,514)	
Accelerated Learning Coach and Educator Supp	84.425U	S425U210027	3/13/20-9/30/24	133,857	(133,857)	133,857			30,000	30,000		(103,857)	103,857		-	
Evidence Based Summer Learning and Enrichm	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	39,000			35,827	36,552		(4,173)	2,448		(1,725)	
Evidence Based Comp Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000			1,915	4,258		(38,085)	35,742		(2,343)	
NJTSS Mental Health Support Staffing	84.425U	S425D210027	3/13/20-9/30/24	45,000	(45,000)	45,000			-	-		(45,000)	45,000		-	
Total ESSER / CARES Programs Cluster					(3,142,407)	2,692,853	-	-	1,228,909	1,473,782	-	(1,913,498)	1,219,071	-	(724,583)	

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN	Grant Period	Award Amount	Balance July 1, 2022			Unearned Revenue Carryover Amount and Transfers	Account Receivable Carryover Amount and Transfers	Cash Received	Budgetary Expenditures	Adjustment	Balance, June 30, 2023			Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Account Receivable)	Unearned Revenue	Due to Grantor	
(A)																
Coronavirus Relief Fund (CRF)																
CARES Act - Bergen County Pass Thru	21.019	N/A	3/1/20-12/31/21	\$ 73,911		\$ 1							-	\$ 1		
Coronavirus Relief Fund	21.019	N/A	3/1/20-12/31/21	92,036	-	7,629	-	-	-	-	-	-	-	7,629	-	
Total CRF Program Cluster					-	7,630	-	-	-	-	-	-	-	7,630	-	
Total Special Revenue Fund					\$ (3,769,122)	\$ 3,069,118	\$ -	\$ -	\$ -	\$ 1,805,883	\$ 2,178,890	\$ -	\$ (2,788,162)	\$ 1,713,303	\$ 1,848	\$ (1,112,645)
Total U.S. Department of Education					(3,769,122)	3,069,118	-	-	-	1,805,883	2,178,890	-	(2,788,162)	1,713,303	1,848	(1,112,645)
U.S. Department of Health and Human Services																
Medicaid Cluster																
General Fund:																
Medicaid Assistance Program (SEMI)	93.778	2005NJSMAP	7/1/22-6/30/23	95,197	-	-	-	-	-	95,197	95,197	-	-	-	-	-
U.S. Department of Homeland Security																
General Fund:																
FEMA - Public Assistance Grants - IDA	97.036	N/A	3/1/20-12/31/20	40,901	-	-	-	-	-	40,901	40,901	-	-	-	-	-
Total Federal Awards					\$ (3,834,517)	\$ 3,070,361	\$ -	\$ -	\$ -	\$ 2,505,973	\$ 2,894,248	\$ -	\$ (2,868,985)	\$ 1,714,706	1,848	\$ (1,193,468)

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2023			Memo	
								(Accounts Receivable) June 30, 2023	Unearned Revenue June 30, 2023	Due to Grantor June 30, 2023	GAAP Receivable	Cumulative Total Expenditures
State Department of Education												
Current Expense:												
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$ 1,968,319		\$ 1,783,297	\$ 1,968,319		\$ (185,022)				\$ 1,968,319
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	1,968,319	\$ (175,718)	175,718			-				-
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	1,119,247		1,014,038	1,119,247		(105,209)				1,119,247
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	1,119,247	(92,556)	92,556			-				-
Maintenance of Equity Aid	23-495-034-5120-128	7/1/22-6/30/23	59,304		-	59,304		(59,304)			\$ (59,304)	59,304
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	96,410		87,348	96,410		(9,062)				96,410
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	96,410	(8,607)	8,607			-				-
Total State Aid - Public Cluster				(276,881)	3,161,564	3,243,280	-	(358,597)	-	-	(59,304)	3,243,280
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	866,335			866,335		(866,335)				866,335
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	841,280	(841,280)	841,280			-				-
Reimbursed TPAF Social Security Contribution	23-495-034-5094-003	7/1/22-6/30/23	1,228,478		1,108,898	1,228,478		(119,580)			(119,580)	1,228,478
Reimbursed TPAF Social Security Contribution	22-495-034-5094-003	7/1/21-6/30/22	1,269,098	(59,352)	59,352			-				-
On-Behalf TPAF												
Pension Benefit Cost	23-495-034-5094-002	7/1/22-6/30/23	6,332,568		6,332,568	6,332,568						6,332,568
Pension - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	87,857		87,857	87,857						87,857
Post Retire. Medical	23-495-034-5094-001	7/1/22-6/30/23	1,686,630		1,686,630	1,686,630						1,686,630
Long-Term Disability Insurance Prem.	23-495-034-5094-004	7/1/22-6/30/23	1,848	-	1,848	1,848		-	-	-	-	1,848
Total General Fund				(1,177,513)	13,279,997	13,446,996	-	(1,344,512)	-	-	(178,884)	13,446,996
Special Revenue Fund												
Climate Change	XXXXXXXXXXXX	7/1/22-6/30/23	6,600	-	6,600	6,600	-	-	-	-	-	6,600
Schools Development Authority (SDA) Emergent and Capital Maintenance Needs		N/A	37,484	-	37,484	-	-	-	\$ 37,484	-	-	-
Total Special Revenue Fund				-	44,084	6,600	-	-	37,484	-	-	6,600
Debt Service Fund												
School Construction Debt Service Aid	23-495-034-5120-075	7/1/22-6/30/23	91,803	-	91,803	91,803	-	-	-	-	-	91,803
State Department of Agriculture												
Enterprise Funds:												
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	15,097		12,255	15,097	-	(2,842)			(2,842)	15,097
State School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	17,111	(1,134)	1,134			-				-
State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	1,861		1,440	1,861		(421)			(421)	1,861
Total Enterprise Funds/Child Nutrition Cluster				(1,134)	14,829	16,958	-	(3,263)	-	-	(3,263)	16,958
Total State Financial Assistance Subject to Single Audit Determination				(1,178,647)	13,430,713	13,562,357	-	(1,347,775)	37,484	-	(182,147)	13,562,357
State Financial Assistance Not Subject to Major Program Determination												
General Fund												
On-Behalf TPAF												
Pension Benefit Cost	23-495-034-5094-002	7/1/22-6/30/23	6,332,568		(6,332,568)	(6,332,568)						(6,332,568)
Pension - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	87,857		(87,857)	(87,857)						(87,857)
Post Retire. Medical	23-495-034-5094-001	7/1/22-6/30/23	1,686,630		(1,686,630)	(1,686,630)						(1,686,630)
Long-Term Disability Insurance Prem.	23-495-034-5094-004	7/1/22-6/30/23	1,848	-	(1,848)	(1,848)		-	-	-	-	(1,848)
Total State Financial Assistance Subject to Major Program Determination				\$ (1,178,647)	\$ 5,321,810	\$ 5,453,454	\$ -	\$ (1,347,775)	\$ 37,484	\$ -	\$ (182,147)	\$ 5,453,454

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

NOTE 1 REPORTING ENTITY

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$47,467 for the general fund and a decrease of \$469,355 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	\$ 136,098	\$ 13,399,529	\$ 13,535,627
Special Revenue Fund	1,709,535	6,600	1,716,135
Debt Service Fund		91,803	91,803
Food Service Fund	<u>579,260</u>	<u>16,958</u>	<u>596,218</u>
Total Awards and Financial Assistance	<u>\$ 2,424,893</u>	<u>\$ 13,514,890</u>	<u>\$ 15,939,783</u>

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

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,228,478 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 \$6,420,425, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,686,630 and TPAF Long-Term Disability Insurance in the amount of \$1,848 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D	CRRSA ESSER II Program Cluster
84.425U	ARP ESSER III Program Cluster
10.553/10.555	Child Nutrition Program Cluster

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor’s Results

State Awards Section

Internal control over major programs:

- 1) Material weakness(es) identified: _____ yes no
- 2) Significant deficiencies identified not considered to be material weakness(es)? _____ yes none reported

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

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

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program or Cluster</u>
<u>495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>495-034-5120-078</u>	<u>State Aid - Public Cluster:</u>
<u>495-034-5120-089</u>	<u>Equalization Aid</u>
<u>495-034-5120-084</u>	<u>Special Education Aid</u>
<u>495-034-5120-128</u>	<u>Security Aid</u>
<u> </u>	<u>Maintenance of Equity</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? yes _____ no

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

Part 2 – Schedule of Financial Statement Findings

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

There are none.

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

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

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

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

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

CURRENT YEAR STATE AWARDS

There are none.

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

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2022-001

Condition

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

Current Status

Corrective action is being taken. See "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 19, 2023 for further explanation.