

RIDGEWOOD BOARD OF EDUCATION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Ridgewood Board of Education
Ridgewood, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Ridgewood Board of Education

Village of Ridgewood, New Jersey

For The Fiscal Year Ended June 30, 2023

Prepared by

**Ridgewood Board of Education
Business Office**

**RIDGEWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

INTRODUCTORY SECTION

Letter of Transmittal	i-vi
Organizational Chart	vii
Roster of Officials	viii
Consultants and Advisors	ix

FINANCIAL SECTION

Independent Auditor's Report	1-3
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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
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	17-18
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	19
B-3 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances with the District-Wide Statement	20
Proprietary Funds:	
B-4 Statement of Net Position	21
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	22
B-6 Statement of Cash Flows	23
Fiduciary Funds: Not Applicable	
Notes to the Financial Statements	24-66

**RIDGEWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

		<u>Page</u>
G.	Proprietary Funds: Not Applicable	
H.	Fiduciary Funds: Not Applicable	
I.	Long-Term Debt:	
I-1	Schedule of Serial Bonds Payable	93-94
I-2	Schedule of Capital Leases and Lease Purchase Agreements	95
I-3	Debt Service Fund Budgetary Comparison Schedule	96
I-4	Schedule of Obligations Subscription-Based Information Technology Arrangements – Not Applicable	

STATISTICAL SECTION (Unaudited)

J-1	Net Position by Component	97
J-2	Changes in Net Position	98-99
J-3	Fund Balances – Governmental Funds	100
J-4	Changes in Fund Balances - Governmental Funds	101
J-5	General Fund Other Local Revenue by Source	102
J-6	Assessed Value and Actual Value of Taxable Property	103
J-7	Direct and Overlapping Property Tax Rates	104
J-8	Principal Property Taxpayers	105
J-9	Property Tax Levies and Collections	106
J-10	Ratios of Outstanding Debt by Type	107
J-11	Ratios of Net General Bonded Debt Outstanding	108
J-12	Direct and Overlapping Governmental Activities Debt	109
J-13	Legal Debt Margin Information	110
J-14	Demographic and Economic Statistics	111
J-15	Principal Employers	112
J-16	Full-Time Equivalent District Employees by Function/Program	113
J-17	Operating Statistics	114
J-18	School Building Information	115-116
J-19	Schedule of Required Maintenance for School Facilities	117
J-20	Schedule of Insurance	118

**RIDGEWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

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	119-120
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	121-123
K-3	Schedule of Expenditures of Federal Awards	124
K-4	Schedule of Expenditures of State Financial Assistance	125
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	126-127
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	128-129
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	130
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	131-133
K-7	Summary Schedule of Prior Year Findings	134

INTRODUCTORY SECTION



RIDGEWOOD

PUBLIC SCHOOLS

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Honorable President and Members
of the Board of Education
Village of Ridgewood School District
County of Bergen
Ridgewood, NJ

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Village of Ridgewood 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 the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects. It is reported in a manner designed to fairly present the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, Organizational Chart and a List of Principal Officials of the District;
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements including the district-wide financial statements presented in accordance with the provisions of the *Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The basic financial statements also include individual fund financial statements, notes to the Financial Statements and Required Supplementary Information (RSI).
- The Statistical Section includes selected financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information of the District, generally presented on a multi-year basis.
- The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the U.S. Uniform Guidance, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

Reporting Entity and Its Services

The Village of Ridgewood School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Village of Ridgewood Board of Education and all its schools constitute the District's reporting entity. The District consists of one high school, two middle schools, seven elementary schools, and an administration building.

The District provides education to approximately 5,582 students in grades kindergarten through twelve as well as a pre-k disabled program.

An elected five-member Board of Education (the "Board") serves as the policy maker for the District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over, and authorization for, all expenditures of the District's tax money.

The Superintendent is the Chief Executive Officer of the District, responsible to the Board for total educational and support operations. The Business Administrator/Board Secretary is the Chief Financial Officer of the District, responsible to the Board for maintaining all financial records, making payments of liabilities incurred by the District, acting as custodian of all District funds, and investing funds as permitted by New Jersey law.

Economic Conditions and Outlook

The District completed the 2022-2023 school fiscal year with an average daily enrollment of 5,504 students, which is 73 students less than the previous year's average daily student enrollment. The average daily enrollment is a compilation of enrollment and attendance data for the entire year. The statistic is different than the enrollment figure which represents the actual number of students enrolled. The following chart details the changes in the average daily student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Student Enrollment	% Change
2022-23	5,504	-1.30%
2021-22	5,577	0.58%
2020-21	5,545	-2.62%
2019-20	5,694	0.74%
2018-19	5,652	-0.21%
2017-18	5,664	0.09%
2016-17	5,659	0.07%
2015-16	5,655	0.09%
2014-15	5,650	-1.17%
2013-14	5,717	-0.59%

Economic Conditions and Outlook
(Continued)

The District's actual enrollment on October 15, 2022 was 5,582, an increase of 17 students from October 15, 2021.

Like many public schools in the State, the District's primary funding source is property tax revenue. The District has faced many challenges through and beyond the pandemic which continue to be of concern, including managing the cost and availability of: 1) student transportation, 2) substitute teachers and paraprofessionals, 3) making improvements to infrastructure, and 4) obtaining competitive and timely supplies and human resources to effectuate capital and other facilities projects.

Despite these new and evolving challenges, the Village of Ridgewood School District continues to be fiscally responsible when developing its budget. The Board is cognizant of the impact the school tax levy has upon taxpayers and seeks to strike a balance between maintaining its high quality educational services in a safe and welcoming environment and its fiscal accountability to the community.

Educational Program

The mission statement for the Ridgewood Public Schools is as follows:

The Ridgewood Public Schools, committed to a tradition of excellence and innovation, in partnership with the community, provide a rich and challenging learning environment, enabling students to maximize their unique potentials to become life-long learners and productive, responsible citizens.

The Ridgewood Public School system is composed of seven elementary schools (Pre-K-5), two middle schools (6-8), and one high school (9-12), serving approximately 5,582 students. All public schools are accredited by the New Jersey Department of Education.

To maintain and advance instructional excellence, RPS promotes comprehensive systems of professional development, program evaluation, and educational innovation. Recent efforts to support the whole child have included a later start time for high school students, a reevaluation of K-5 ELA and mathematics programs, training for educators in generative artificial intelligence, and the completion of a five year strategic plan.

Ridgewood High School is a comprehensive high school, grades 9-12, which attempts to meet the needs of all students. It is also an institution with a long-standing tradition of providing a sound and challenging academic program for college-bound students. With a population of 1,747 students, RHS is the largest in Bergen County. The class of 2023 included 442 students. The following page details the post-graduation plans for this class.

Post-Secondary Plans: Class of 2023

4-Year Colleges	94.5%
2-Year Colleges	1.4%

The Class of 2023 received acceptances from the following colleges and universities:

American University (3)
 Arizona State University-Tempe (2)
 Babson College (1)
 Bard College (3)
 Belmont University (1)
 Bergen Community College (7)
 Binghamton University (4)
 Boston University (6)
 Bowdoin College (1)
 Brown University (1)
 Bucknell University (9)
 Cal Poly (1)
 Case Western Reserve University (2)
 Clemson University (2)
 Coastal Carolina University (1)
 Colby College (1)
 Colgate University (3)
 College of Charleston (5)
 College of the Holy Cross (1)
 Columbia University in the City of NY (1)
 Cornell University (5)
 Cornell University (5)
 CUNY-Manhattan Community College (1)
 Dickinson College (1)
 Drew University (2)
 Duke University (1)
 Duquesne University (1)
 Elon University (3)
 Emerson College (2)
 ESSEC Business School (1)
 Fairfield University (6)
 Fairleigh Dickinson University-Met Campus (1)
 Fashion Institute of Technology (1)
 Florida Atlantic University (2)
 Florida Institute of Technology (1)
 Fordham University (5)
 Franklin and Marshall College (1)
 Front Range Comm College-Boulder Cty (1)
 Georgetown University (2)
 Gettysburg College (3)
 Haverford College (1)
 Immaculata University (1)
 Indiana University-Bloomington (7)
 Ithaca College (5)
 James Madison University (2)
 Kennesaw State University (1)
 La Salle University (1)
 Lafayette College (4)
 Landmark College (1)
 Lehigh University (2)
 Lipscomb University (1)
 Loyola University Chicago (1)
 Loyola University Maryland (2)
 Manhattan College (1)
 Marist College (1)
 McGill University (3)
 Miami University, Oxford (1)
 Michigan State University (2)
 Monmouth University (3)
 Montclair State University (7)
 Mount Holyoke College (1)
 Muhlenberg College (1)
 National Taiwan University (1)
 New Jersey Institute of Technology (1)
 New York University (9)
 Northeastern University (9)
 Northwestern University (1)
 Nova Southeastern University (3)
 Ohio State University-Main Campus (1)
 Pace University, New York City Campus (2)
 Pennsylvania State University-Berks (1)
 Penn. State University-Harrisburg (1)
 Penn. State University-Main Campus (9)
 Plymouth State University (1)
 Pratt Institute-Main (1)
 Princeton University (1)
 Princeton University (1)
 Providence College (8)
 Purdue University-Main Campus (9)
 Quinnipiac University (2)
 Ramapo College of New Jersey (2)
 Rensselaer Polytechnic Institute (1)
 Rhode Island School of Design (1)
 Rider University (1)
 Roger Williams University (1)
 Rollins College (1)
 Rowan University (4)
 Rutgers University-New Brunswick (27)
 Rutgers University-Newark (5)
 Sacred Heart University (8)
 Saint Joseph's University (1)
 San Diego State University (3)
 Savannah College of Art & Design- SCAD (2)
 School of Visual Arts (1)
 Scripps College (1)
 Seton Hall University (4)
 Skidmore College (3)
 Southern Methodist University (1)
 St. Lawrence University (1)
 Stanford University (1)
 State University of New York -New Paltz (1)
 Stevens Institute of Technology (6)
 SUNY Cortland (1)
 Syracuse University (17)
 Temple University (1)
 Texas A & M University-College Station (1)
 The Catholic University of America (1)
 The College of New Jersey (6)
 The George Washington University (3)
 The University of Alabama (1)
 The University of Tampa (2)
 The University of Tennessee-Knoxville (1)
 Trinity College Dublin (4)
 Tufts University (1)
 Tulane University of Louisiana (5)
 University of Arizona (2)
 University of Birmingham (1)
 University of California-Berkeley (1)
 University of California-Irvine (1)
 University of California-Santa Cruz (1)
 University of Colorado Boulder (4)
 University of Connecticut (1)
 University of Delaware (5)
 University of Florida (1)
 University of Georgia (1)
 University of Hartford (1)
 University of Illinois at Urbana-Champaign (1)
 University of Iowa (1)
 University of Maryland-College Park (3)
 University of Massachusetts-Amherst (3)
 University of Miami (1)
 University of Michigan-Ann Arbor (3)
 University of Mississippi (2)
 University of New Hampshire-Main Campus (3)
 University of Notre Dame (1)
 University of Oregon (2)
 University of Pittsburgh-Pittsburgh Campus (5)
 University of Rhode Island (1)
 University of Richmond (2)
 University of Rochester (2)
 University of Scranton (5)
 University of South Carolina-Columbia (4)
 University of Southern California (1)
 University of Surrey (1)
 University of Toronto (3)
 University of Vermont (4)
 University of Washington-Seattle Campus (2)
 University of Westminster (1)
 University of Wisconsin-Madison (6)
 Vanderbilt University-Blair School of Music (1)
 Villanova University (3)
 Virginia Tech (1)
 Wake Forest University (3)
 Washington University in St Louis (1)
 Wesleyan University (1)
 Western New England University (1)
 William & Mary (1)
 William Paterson University of New Jersey (2)
 Worcester Polytechnic Institute (1)
 York College of Pennsylvania (1)

Major Initiatives

Capital Projects

The District utilized Capital Reserves to upgrade the High School Food Service Lab and made improvements to the facilities automation and control systems at the Educational Center.

In District Special Education Classes

The District offers specialized classes for students with disabilities that are located in-district. At Glen School, the Ridgewood Early Development (RED) classes offer a comprehensive educational experience for a child who has been identified as a preschool disabled student, ages 3-5 that focuses on skill development within the social, motor, cognitive, and communications domains. The district also offers Language Learning Disabled (LLD) classes at Ridgewood High School, George Washington Middle School, Willard Elementary, and Hawes Elementary School. The District's ABA-Based program, Ridgewood Intensive Services (RISe), is offered at Ridgewood High School, Ben Franklin Middle School, Ridge Elementary, and Glen School. Additionally, Strategic Actions for Innovative Learning (SAIL) is the District's multiply disabled program and is offered at Hawes Elementary School and the Practical, Real-Life Education Program (PREP) is a multiply disabled program offered at Ben Franklin Middle School and the Ridgewood High School. The Program for Emotional Regulation & Learning (PERL) Program is a self-contained class designed for students with behavioral disabilities who are dysregulated emotionally/behaviorally and is offered at Somerville Elementary School and Ben Franklin Middle School. The District's transition to adulthood class, School Transition and Employment Program for Student Success (STEPSS) offered to students ages 18-21-year-old who have met state graduation requirements, but continue to need more time and skill development before entering independent or interdependence adulthood.

These classes provide Ridgewood students with the opportunity to remain in the Ridgewood Public School system rather than be sent to potentially more restrictive out-of-district specialized schools for the disabled. In-district programs provide these students with disabilities additional inclusive opportunities to learn and work alongside their non-disabled peers in regular education classes and non-academic activities in their home school buildings when appropriate.

Financial Information

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

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

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

Budgetary Controls: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Trustees of the Board. Annual appropriated budgets are adopted for the general fund, special revenue fund and debt service fund. Project-length budgets are approved for the capital improvements and are 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-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as committed or assigned fund balance on June 30, 2023.

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

Risk Management: The District carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found in Exhibit J-20.

Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Bliss, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Uniform Guidance, and New Jersey OMB's Circular 15-08. The auditor's report on the basic financial statements and specific required supplemental information 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.

We would like to express our appreciation to the members of the Village of Ridgewood School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the 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.

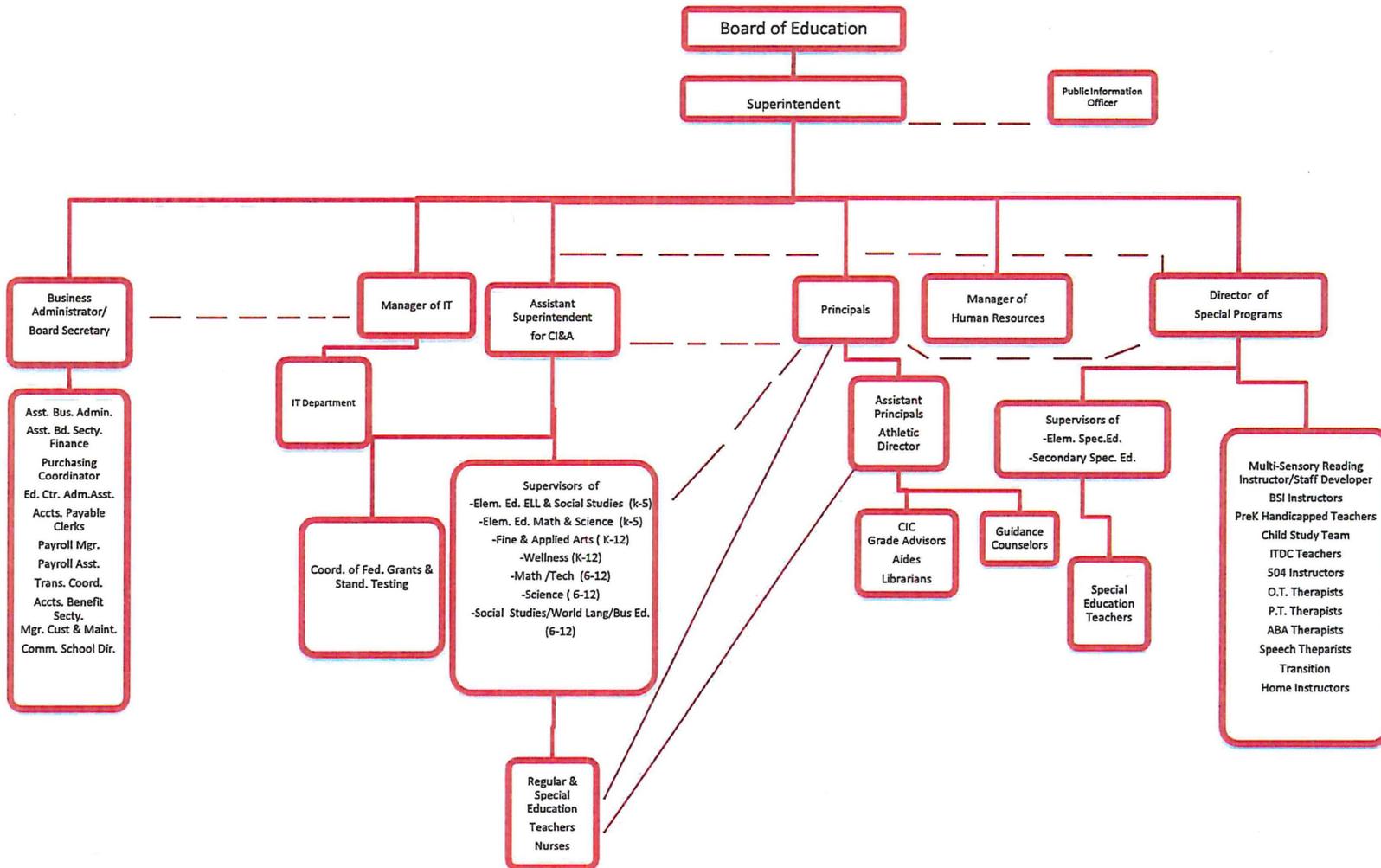
Respectfully submitted,



Mark Schwarz
Superintendent of Schools



Julie Kot
Business Administrator/Board Secretary



TIA

RIDGEWOOD BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ms. Michael Lembo, President	2023
Ms. Hyunju Kwak, Vice President	2024
Ms. Sheila Brogan	2024
Mr. Saurabh Dani	2023
Mr. Muhammad Mahmoud	2024

Other Officials

Dr. Leonard Fitts, Ed. D, Interim Superintendent

Ms. Stacie Poelstra, Assistant Superintendent

Mr. Scott Bisig, School Business Administrator (July 2023 – February 2023)

Ms. Kathryn Davenport, Interim School Business Administrator (March 2023 – June 2023)

Mr. Angelo DeSimone, Treasurer

**RIDGEWOOD BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

Independent Auditor

Lerch, Vinci & Bliss, LLP

17-17 Route 208

Fair Lawn, NJ 07410

Attorney

Cleary, Giacobbe, Alfieri, Jacobs, LLC

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Oakland, NJ 07436

Official Depositories

Columbia Bank

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Fair Lawn, New Jersey 07410

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
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DEBRA GOLLE, CPA
MARK SACO, CPA
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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
Ridgewood Board of Education
Ridgewood, New Jersey

Report on the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood Board of Education's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and 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 Ridgewood 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 combining and individual nonmajor fund financial statements, 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 15, 2023 on our consideration of the Ridgewood 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 Ridgewood 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 Ridgewood Board of Education's internal control over financial reporting and compliance.



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



Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
December 15, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

This section of Ridgewood Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Ridgewood Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$70,774,781 (net position).
- Overall District revenues were \$143,363,141. General revenues accounted for \$107,434,417 or 75% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$35,928,724, or 25% of total revenue.
- The School District had \$131,235,120 in expenses for governmental activities; only \$31,096,523 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$107,429,880 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 \$27,952,696 an increase of \$5,488,508 when compared to the ending fund balance at June 30, 2022 of \$22,464,188.
- The General Fund unassigned fund balance at June 30, 2023 was in a deficit position of \$1,149,158, a decrease of \$3,333,470 when compared with the ending fund balance of \$2,184,312 at June 30, 2022.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$2,222,502 which represents a decrease of \$3,411,248 when compared to the ending unassigned fund balance at June 30, 2022 of \$5,633,750.

RIDGEWOOD BOARD OF EDUCATION

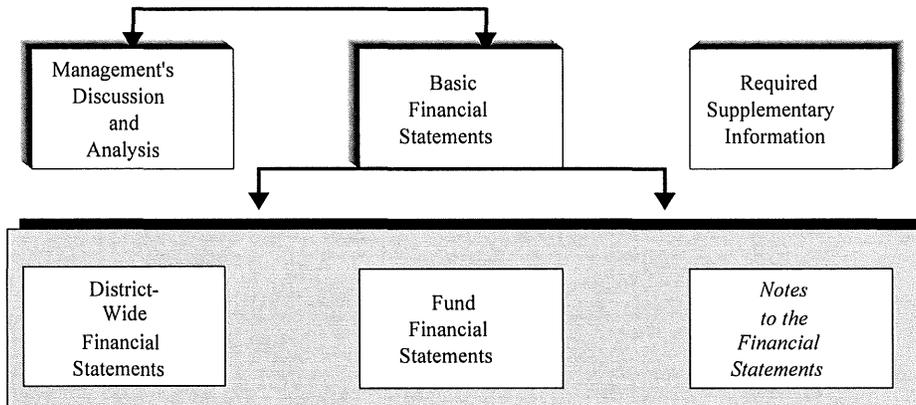
Management's Discussion and Analysis

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 financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



RIDGWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction, special education building maintenance, and community education	Activities the district operates similar to private businesses: Enterprise funds
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in 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 information	All assets, deferred outflows, liabilities, 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 thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities, 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.

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

District-Wide Financial Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, 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 are an indicator of whether its financial position 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.

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 instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service, Infant Toddler Development, Technology Initiative Funds and Photography Lab are included here.

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).

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

Fund Financial Statements (Continued)

The District has two kinds of funds:

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

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.

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 these 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 statements and schedules are presented immediately following the major budgetary comparisons if required.

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$70,774,781 and \$62,821,260 as of June 30, 2023 and 2022, respectively, as shown below.

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.

Net Position as of June 30, 2023 and 2022

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets						
Current and Other Assets	\$ 32,264,592	\$ 25,006,719	\$ 1,087,772	\$ 624,335	\$ 33,352,364	\$ 25,631,054
Capital Assets	90,577,785	93,313,108	304,616	167,922	90,882,401	93,481,030
Total Assets	<u>122,842,377</u>	<u>118,319,827</u>	<u>1,392,388</u>	<u>792,257</u>	<u>124,234,765</u>	<u>119,112,084</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	1,768,286	2,025,901			1,768,286	2,025,901
Deferred Amounts on Refunding of Debt	854,357	582,796	-	-	854,357	582,796
Total Deferred Outflows	<u>2,622,643</u>	<u>2,608,697</u>	<u>-</u>	<u>-</u>	<u>2,622,643</u>	<u>2,608,697</u>
Total Assets and Deferred Outflows	<u>125,465,020</u>	<u>120,928,524</u>	<u>1,392,388</u>	<u>792,257</u>	<u>126,857,408</u>	<u>121,720,781</u>
Liabilities						
Long-Term Liabilities	49,083,139	49,904,518			49,083,139	49,904,518
Other Liabilities	4,690,603	2,928,208	130,098	192,205	4,820,701	3,120,413
Total Liabilities	<u>53,773,742</u>	<u>52,832,726</u>	<u>130,098</u>	<u>192,205</u>	<u>53,903,840</u>	<u>53,024,931</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	2,178,787	5,874,590	-	-	2,178,787	5,874,590
Total Deferred Inflows	<u>2,178,787</u>	<u>5,874,590</u>	<u>-</u>	<u>-</u>	<u>2,178,787</u>	<u>5,874,590</u>
Total Liabilities and Deferred Inflows	<u>55,952,529</u>	<u>58,707,316</u>	<u>130,098</u>	<u>192,205</u>	<u>56,082,627</u>	<u>58,899,521</u>
Net Position						
Net Investment in Capital Assets	54,786,232	55,088,671	304,616	167,922	55,090,848	55,256,593
Restricted	22,384,072	12,719,771			22,384,072	12,719,771
Unrestricted	<u>(7,657,813)</u>	<u>(5,587,234)</u>	<u>957,674</u>	<u>432,130</u>	<u>(6,700,139)</u>	<u>(5,155,104)</u>
Total Net Position	<u>\$ 69,512,491</u>	<u>\$ 62,221,208</u>	<u>\$ 1,262,290</u>	<u>\$ 600,052</u>	<u>\$ 70,774,781</u>	<u>\$ 62,821,260</u>

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

The changes in net position for fiscal years ended 2023 and 2022 are as follows:

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program Revenues						
Charges for Services	\$ 2,884,244	\$ 2,152,436	\$ 4,832,201	\$ 4,283,837	\$ 7,716,445	\$ 6,436,273
Operating Grants and Contributions	27,930,954	30,863,417			27,930,954	30,863,417
Capital Grants and Contributions	281,325	885,378			281,325	885,378
General Revenues						
Property Taxes	104,639,354	102,700,867			104,639,354	102,700,867
Federal and State Aid - Restricted	82,006	79,354			82,006	79,354
Other	<u>2,708,520</u>	<u>2,167,588</u>	<u>4,537</u>	<u>372</u>	<u>2,713,057</u>	<u>2,167,960</u>
Total Revenues	<u>138,526,403</u>	<u>138,849,040</u>	<u>4,836,738</u>	<u>4,284,209</u>	<u>143,363,141</u>	<u>143,133,249</u>
Expenses						
Instruction						
Regular	52,030,247	51,831,793			52,030,247	51,831,793
Special Education	20,855,122	19,721,497			20,855,122	19,721,497
Other Instruction	3,943,612	4,196,910			3,943,612	4,196,910
School Sponsored Activities and Athletics	2,987,978	2,497,556			2,987,978	2,497,556
Support Services						
Student and Instruction Related Services	21,249,378	21,786,137			21,249,378	21,786,137
General Administration Services	1,449,876	1,214,503			1,449,876	1,214,503
School Administration Services	5,373,785	5,483,087			5,373,785	5,483,087
Central Services	1,779,914	1,571,218			1,779,914	1,571,218
Plant Operation and Maintenance	1,273,465	1,488,798			1,273,465	1,488,798
Pupil Transportation	14,159,590	13,464,667			14,159,590	13,464,667
Business Services	4,798,481	3,458,189			4,798,481	3,458,189
Interest and Other Chgs on Long-Term Debt	1,333,672	1,390,339			1,333,672	1,390,339
Food Service			3,029,748	2,470,754	3,029,748	2,470,754
Infant/Toddler Development			1,129,795	1,032,357	1,129,795	1,032,357
Technology Initiative	-	-	14,957	58,131	14,957	58,131
Total Expenses	<u>131,235,120</u>	<u>128,104,694</u>	<u>4,174,500</u>	<u>3,561,242</u>	<u>135,409,620</u>	<u>131,665,936</u>
Change in Net Position	7,291,283	10,744,346	662,238	722,967	7,953,521	11,467,313
Net Position, Beginning of Year	<u>62,221,208</u>	<u>51,476,862</u>	<u>600,052</u>	<u>(122,915)</u>	<u>62,821,260</u>	<u>51,353,947</u>
Net Position, End of Year	<u>\$ 69,512,491</u>	<u>\$ 62,221,208</u>	<u>\$ 1,262,290</u>	<u>\$ 600,052</u>	<u>\$ 70,774,781</u>	<u>\$ 62,821,260</u>

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

Governmental Activities

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs, the provision of a multitude of special education programs and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

Total and Net Cost of Governmental Activities. The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2023 and 2022.

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

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 52,030,247	\$ 51,831,793	\$ 39,609,680	\$ 37,653,550
Special Education	20,855,122	19,721,497	9,613,101	8,862,189
Other Instruction	3,943,612	4,196,910	2,957,258	3,170,582
School Sponsored Activities and Athletics	2,987,978	2,497,556	1,761,382	1,521,136
Support Services				
Student and Instruction Related Services	21,249,378	21,786,137	18,386,347	18,282,015
General Administration	1,449,876	1,214,503	1,448,608	1,187,093
School Administration Services	5,373,785	5,483,087	4,603,824	4,421,784
Central Services	1,779,914	1,571,218	1,775,094	1,455,373
Plant Operation and Maintenance	1,273,465	13,464,667	1,270,392	12,132,326
Administrative Information Technology	14,159,590	1,488,798	13,251,129	1,409,948
Pupil Transportation	4,798,481	3,458,189	4,179,886	2,772,273
Interest and Other Charges on Long-Term Debt	<u>1,333,672</u>	<u>1,390,339</u>	<u>1,281,896</u>	<u>1,335,194</u>
Total	<u>\$ 131,235,120</u>	<u>\$ 128,104,694</u>	<u>\$ 100,138,597</u>	<u>\$ 94,203,463</u>

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, 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.

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 \$27,952,696, an increase of \$5,488,508 from last year's fund balance of \$22,464,188.

Revenues for the District's governmental funds were \$150,424,451; total expenditures were \$145,875,943. In addition, Other financing sources related to a capital financing agreement of \$940,000 was received.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations of providing educational services to students.

Revenues of the General Fund were \$142,587,424 for the fiscal year ended June 30, 2023. State sources amounted to \$35,824,857, federal sources totaled \$41,431 and local sources totaled \$106,721,136.

Expenditures of the General Fund were \$137,625,196, which consists of instructional expenditures of \$85,760,879, support services of \$49,227,358, capital expenditures of \$1,039,358, and debt service expenditures of \$1,597,601 for the fiscal year ended June 30, 2023.

Special Revenue Fund - The Special Revenue Fund includes all restricted federal, state and local sources of the district to provide educational services to students including student activities and scholarships.

Revenues of the Special Revenue Fund were \$4,261,792 for the fiscal year ended June 30, 2023. Local sources amounted to \$2,060,407. State sources amounted to \$8,748 and federal sources amounted to \$2,192,637.

Expenditures of the Special Revenue Fund were \$4,121,077, which consist of instructional expenditures of \$3,179,966, support services of \$659,786, and capital expenditures of \$281,325 for the fiscal year ended June 30, 2023.

Capital Projects - The expenditures exceeded capital projects revenues and other financing sources by \$73,585 decreasing the fund balance from \$82,542 at June 30, 2022 to \$8,957 at June 30, 2023.

Proprietary Funds

The District maintains an Enterprise Fund to account for activities, which are supported in part through user fees.

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services, Infant Toddler Development, Technology Initiative and Photography Lab programs. The District's Enterprise Funds provide the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into the following categories

- Implementing budgets for specially funded programs, which include both federal and state grants.
- Reappropriation of June 30, 2022 encumbrances.
- Appropriation of Maintenance Reserve

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2023 and 2022 amounts to \$90,882,401 and \$93,481,030 (net of accumulated depreciation), respectively. The capital assets consist of land, buildings, building improvements, right-to-use leased buildings, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2022-2023 amounted to \$4,062,100 for governmental activities and \$44,021 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2023 and 2022.

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 7,435,206	\$ 7,435,206			\$ 7,435,206	\$ 7,435,206
Land Improvements	9,043,271	9,003,521			9,043,271	9,003,521
Buildings and Building Improvements	132,322,173	131,478,514			132,322,173	131,478,514
Right to use Leased Buildings	202,128	202,128			202,128	202,128
Machinery and Equipment	<u>7,586,741</u>	<u>7,143,373</u>	<u>\$ 740,179</u>	<u>\$ 559,464</u>	<u>8,326,920</u>	<u>7,702,837</u>
Subtotal	156,589,519	155,262,742	740,179	559,464	157,329,698	155,822,206
Less: Accumulated Depreciation	<u>(66,011,734)</u>	<u>(61,949,634)</u>	<u>(435,563)</u>	<u>(391,542)</u>	<u>(66,447,297)</u>	<u>(62,341,176)</u>
Total Capital Assets,						
Net of Accumulated Depreciation	<u>\$ 90,577,785</u>	<u>\$ 93,313,108</u>	<u>\$ 304,616</u>	<u>\$ 167,922</u>	<u>\$ 90,882,401</u>	<u>\$ 93,481,030</u>

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

RIDGEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2023, the District's long-term liabilities consisted of compensated absences payable of \$906,293, serial bonds including unamortized premium of \$35,339,364, capital financing agreements of \$2,087,158, leases payable of \$133,317 and net pension liability of \$10,617,007 totaling \$49,083,139. This is in comparison to long-term liabilities at June 30, 2022 of \$49,904,518 a decrease of \$821,379.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2023-2024 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and utilizes the required investment to repair the District's aging facilities.

These expenditures are to be paid for by the mandated 2% CAP on the property tax levy with certain allowable adjustments to the tax levy. In the future, any such allowable adjustments may not be permitted.

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, Ridgewood Board of Education, 49 Cottage Place, Ridgewood, NJ 07450.

DISTRICT-WIDE FINANCIAL STATEMENTS

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 29,422,611	\$ 1,099,204	\$ 30,521,815
Investments, at Fair Value	2,337,151		2,337,151
Receivables, Net:			
Receivables from Other Governments	392,301		392,301
Other	58,304	20,743	79,047
Internal Balances	54,225	(54,225)	-
Inventories	-	22,050	22,050
Capital Assets Not Being Depreciated	7,435,206		7,435,206
Capital Assets, Being Depreciated, net	<u>83,142,579</u>	<u>304,616</u>	<u>83,447,195</u>
 Total Assets	 <u>122,842,377</u>	 <u>1,392,388</u>	 <u>124,234,765</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	1,768,286		1,768,286
Deferred Amounts on Net Pension Liability	<u>854,357</u>	<u>-</u>	<u>854,357</u>
 Total Deferred Outflows of Resources	 <u>2,622,643</u>	 <u>-</u>	 <u>2,622,643</u>
 Total Assets and Deferred Outflows of Resources	 <u>125,465,020</u>	 <u>1,392,388</u>	 <u>126,857,408</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,858,962	54,987	2,913,949
Accrued Interest Payable	378,707		378,707
Unearned Revenue	1,452,934	75,111	1,528,045
Noncurrent Liabilities			
Due Within One Year	3,125,716		3,125,716
Due Beyond One Year	<u>45,957,423</u>	<u>-</u>	<u>45,957,423</u>
 Total Liabilities	 <u>53,773,742</u>	 <u>130,098</u>	 <u>53,903,840</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>2,178,787</u>	<u>-</u>	<u>2,178,787</u>
 Total Deferred Inflows of Resources	 <u>2,178,787</u>	 <u>-</u>	 <u>2,178,787</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>55,952,529</u>	 <u>130,098</u>	 <u>56,082,627</u>
NET POSITION			
Net Investment in Capital Assets	54,786,232	304,616	55,090,848
Restricted for			
Capital Projects	13,022,434		13,022,434
Facility Maintenance	5,161,731		5,161,731
Other Purposes	4,199,907		4,199,907
Unrestricted (Deficit)	<u>(7,657,813)</u>	<u>957,674</u>	<u>(6,700,139)</u>
 Total Net Position	 <u>\$ 69,512,491</u>	 <u>\$ 1,262,290</u>	 <u>\$ 70,774,781</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 52,030,247	\$ 2,186,939	\$ 10,043,628	\$ 190,000	\$ (39,609,680)		\$ (39,609,680)
Special Education	20,855,122		11,242,021		(9,613,101)		(9,613,101)
Other Instruction	3,943,612	271,230	715,124		(2,957,258)		(2,957,258)
School Sponsored Activities and Athletics	2,987,978	56,555	1,170,041		(1,761,382)		(1,761,382)
Support Services							
Student and Instruction Related Services	21,249,378		2,863,031		(18,386,347)		(18,386,347)
School Administration Services	5,373,785		769,961		(4,603,824)		(4,603,824)
General Administration Services	1,449,876		1,268		(1,448,608)		(1,448,608)
Central Services	1,779,914		4,820		(1,775,094)		(1,775,094)
Administration Information Technology	1,273,465		3,073		(1,270,392)		(1,270,392)
Plant Operations And Maintenance	14,159,590	369,520	447,616	91,325	(13,251,129)		(13,251,129)
Pupil Transportation	4,798,481		618,595		(4,179,886)		(4,179,886)
Interest On Long-Term Debt	1,333,672	-	51,776	-	(1,281,896)		(1,281,896)
Total Governmental Activities	131,235,120	2,884,244	27,930,954	281,325	(100,138,597)	-	(100,138,597)
Business-Type Activities							
Food Service	3,029,748	3,214,497	-			\$ 184,749	184,749
Infant/Toddler Development	1,129,795	1,527,234				397,439	397,439
Technology Initiative	14,957	89,465				74,508	74,508
Photography Lab Fee	-	1,005				1,005	1,005
Total Business-Type Activities	4,174,500	4,832,201	-	-	-	657,701	657,701
Total Primary Government	\$ 135,409,620	\$ 7,716,445	\$ 27,930,954	\$ 281,325	(100,138,597)	657,701	(99,480,896)
General Revenues							
Taxes							
Property Taxes Levied for General Purposes					\$ 101,198,061		\$ 101,198,061
Property Taxes Levied for Debt Service					3,441,293		3,441,293
State Aid Restricted - Debt Service					82,006		82,006
Interest Income					16,114	\$ 4,537	20,651
Miscellaneous Income					2,692,406	-	2,692,406
Total General Revenues					107,429,880	4,537	107,434,417
Change in Net Position					7,291,283	662,238	7,953,521
Net Position, Beginning of Year					62,221,208	600,052	62,821,260
Net Position, End of Year					\$ 69,512,491	\$ 1,262,290	\$ 70,774,781

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

FUND FINANCIAL STATEMENTS

**RIDGEWOOD 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 and Cash Equivalents	\$ 26,937,336	\$ 1,087,600	\$ 483,375	\$ 914,300	\$ 29,422,611
Investments, at Fair Value		2,337,151			2,337,151
Receivables, Net					
Receivables from Other Governments	93,737	298,564			392,301
Other Accounts Receivable	58,304				58,304
Due from Other Funds	54,225	-	-	-	54,225
	<u>27,143,602</u>	<u>3,723,315</u>	<u>483,375</u>	<u>914,300</u>	<u>32,264,592</u>
Total Assets					
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	1,068,189	48,564	474,418		1,591,171
Payable to Other Government		32,645			32,645
Payroll Deductions and Withholdings Payable	1,235,146				1,235,146
Unearned Revenue	901,403	551,531	-	-	1,452,934
	<u>3,204,738</u>	<u>632,740</u>	<u>474,418</u>	<u>-</u>	<u>4,311,896</u>
Total Liabilities					
Fund Balances					
Restricted Fund Balance					
Excess Surplus	2,616,672				2,616,672
Excess Surplus - Designated for					
Subsequent Year's Expenditures	2,729,048				2,729,048
Capital Reserve	11,136,363				11,136,363
Capital Reserve - Designated for					
Subsequent Year's Expenditures	1,877,114				1,877,114
Maintenance Reserve	3,642,646				3,642,646
Maintenance Reserve - Designated for					
Subsequent Year's Expenditures	1,519,085				1,519,085
Emergency Reserve	500,000				500,000
Emergency Reserve - Designated for					
Subsequent Year's Expenditures	500,000				500,000
Unemployment Compensation	195,032				195,032
Student Activity/Athletic Funds		316,756			316,756
Scholarship		2,773,819			2,773,819
Capital Projects			8,957		8,957
Debt Service				914,300	914,300
Assigned Fund Balance					
Year End Encumbrances	372,062				372,062
Unassigned Fund Balance:					
General Fund	(1,149,158)	-	-	-	(1,149,158)
	<u>23,938,864</u>	<u>3,090,575</u>	<u>8,957</u>	<u>914,300</u>	<u>27,952,696</u>
Total Fund Balances					
Total Liabilities and Fund Balances	<u>\$ 27,143,602</u>	<u>\$ 3,723,315</u>	<u>\$ 483,375</u>	<u>\$ 914,300</u>	<u>\$ 32,264,592</u>

Continued

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

Total Fund Balances - Governmental Funds	\$	27,952,696
<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 \$156,589,519 and the accumulated depreciation is \$66,011,734.</p>		90,577,785
<p>Accrued interest on long-term bonds, notes and capital leases is not due and payable in the current period and therefore is not reported as a liability in the funds.</p>		(378,707)
<p>Amounts resulting from the refunding of debt are reported as deferred outflows of reserves on the statement of net position and amortized over the life of the debt.</p>		1,768,286
<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 deferred over future years.</p>		
Deferred Outflows of Resources	\$	854,357
Deferred Inflows of Resources		(2,178,787)
		(1,324,430)
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
Serial Bonds Payable (including unamortized premium)		(35,339,364)
Capital Financing Agreements/Leases Payable		(2,220,475)
Compensated Absences		(906,293)
Net Pension Liability		(10,617,007)
		(49,083,139)
Net position of governmental activities (Exhibit A-1)	\$	<u>69,512,491</u>

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

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Local Sources					
Property Taxes	\$ 101,198,061			\$ 3,441,293	\$ 104,639,354
Tuition	2,458,169				2,458,169
Miscellaneous	3,064,906	\$ 2,060,407	\$ 160	-	5,125,473
	<u>106,721,136</u>	<u>2,060,407</u>	<u>160</u>	<u>3,441,293</u>	<u>112,222,996</u>
Total - Local Sources					
State Sources	35,824,857	8,748		133,782	35,967,387
Federal Sources	41,431	2,192,637	-	-	2,234,068
	<u>142,587,424</u>	<u>4,261,792</u>	<u>160</u>	<u>3,575,075</u>	<u>150,424,451</u>
Total Revenues					
EXPENDITURES					
Current					
Instruction:					
Regular	57,633,080	763,382	925,323		59,321,785
Special Education	21,692,697	1,217,450			22,910,147
Other Instruction	4,408,718	62,417			4,471,135
School Sponsored Activities and Athletics	2,026,384	1,136,717			3,163,101
Support Services					
Student and Instruction Related Services	22,976,810	659,786			23,636,596
School Administrative Services	6,017,644				6,017,644
General Administration Services	1,419,409		82,328		1,501,737
Central Services	1,977,042				1,977,042
Administration Information Technology	1,399,143		-		1,399,143
Plant Operations And Maintenance	10,626,106				10,626,106
Pupil Transportation	4,811,204				4,811,204
Debt Service:					
Principal	1,393,896			1,910,000	3,303,896
Interest and Other Charges	203,705			1,205,925	1,409,630
Capital Outlay	1,039,358	281,325	6,094	-	1,326,777
	<u>137,625,196</u>	<u>4,121,077</u>	<u>1,013,745</u>	<u>3,115,925</u>	<u>145,875,943</u>
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,962,228</u>	<u>140,715</u>	<u>(1,013,585)</u>	<u>459,150</u>	<u>4,548,508</u>
Other Financing Sources (Uses)					
Capital Financing Agreement	-	-	940,000	-	940,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>940,000</u>	<u>-</u>	<u>940,000</u>
Net Change in Fund Balances	4,962,228	140,715	(73,585)	459,150	5,488,508
Fund Balance, Beginning of Year	<u>18,976,636</u>	<u>2,949,860</u>	<u>82,542</u>	<u>455,150</u>	<u>22,464,188</u>
Fund Balance, End of Year	<u>\$ 23,938,864</u>	<u>\$ 3,090,575</u>	<u>\$ 8,957</u>	<u>\$ 914,300</u>	<u>\$ 27,952,696</u>

**RIDGEWOOD 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) **\$ 5,488,508**

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital additions in the period.

Capital Additions	\$	1,326,777	
Depreciation Expense		<u>(4,062,100)</u>	
			(2,735,323)

In the statement of activities, interest on debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

Accrued Interest	6,970
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Repayments of bond and capital financing and leases payable principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Serial Bonds	2,215,000
Capital Financing Agreements/Leases Payable	1,088,896

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

Capital Lease/Lease Purchase Agreement Proceeds	(940,000)
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Governmental funds report the effect of discounts and losses on the refunding of debt when debt is first issued whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.

Amortization of Bond Premium		326,603	
Amortization of Deferred Amounts on Refunding		<u>(257,615)</u>	
			68,988

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

Decrease in Compensated Absences		176,647	
Decrease in Pension Expense		<u>1,921,597</u>	
			<u>2,098,244</u>

Change in net position of governmental activities (Exhibit A-2) **\$ 7,291,283**

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

	<u>Business-Type Activities - Enterprise Fund</u>				
	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	<u>Totals</u>
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 302,119	\$ 670,669	\$ 122,996	\$ 3,420	\$ 1,099,204
Other Accounts Receivable	19,068	1,675			20,743
Inventories	<u>22,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,050</u>
Total Current Assets	<u>343,237</u>	<u>672,344</u>	<u>122,996</u>	<u>3,420</u>	<u>1,141,997</u>
Capital Assets					
Equipment	582,340	157,839			740,179
Less: Accumulated Depreciation	<u>(337,359)</u>	<u>(98,204)</u>	<u>-</u>	<u>-</u>	<u>(435,563)</u>
Total Capital Assets, Net	<u>244,981</u>	<u>59,635</u>	<u>-</u>	<u>-</u>	<u>304,616</u>
Total Assets	<u>588,218</u>	<u>731,979</u>	<u>122,996</u>	<u>3,420</u>	<u>1,446,613</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	54,966	21			54,987
Due to Other Funds	54,225				54,225
Unearned Revenue	<u>37,461</u>	<u>37,650</u>	<u>-</u>	<u>-</u>	<u>75,111</u>
Total Current Liabilities	<u>146,652</u>	<u>37,671</u>	<u>-</u>	<u>-</u>	<u>184,323</u>
NET POSITION					
Net Investment in Capital Assets	244,981	59,635			304,616
Unrestricted	<u>196,585</u>	<u>634,673</u>	<u>122,996</u>	<u>3,420</u>	<u>957,674</u>
Total Net Position	<u>\$ 441,566</u>	<u>\$ 694,308</u>	<u>\$ 122,996</u>	<u>\$ 3,420</u>	<u>\$ 1,262,290</u>

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

	<u>Business-Type Activities - Enterprise Fund</u>				<u>Totals</u>
	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	
OPERATING REVENUES					
Charges for Services					
Daily Sales - Non-Reimbursable Programs	\$ 3,214,497				\$ 3,214,497
Program Fees	<u>-</u>	<u>\$ 1,527,234</u>	<u>\$ 89,465</u>	<u>\$ 1,005</u>	<u>1,617,704</u>
Total Operating Revenues	<u>3,214,497</u>	<u>1,527,234</u>	<u>89,465</u>	<u>1,005</u>	<u>4,832,201</u>
OPERATING EXPENSES					
Salaries and Employee Benefits	1,066,077	976,333			2,042,410
Cost of Sales - Non-Reimbursable Programs	1,287,622				1,287,622
Other Purchased Services	187,946	104,729			292,675
Management Fees	221,239				221,239
Supplies and Materials	134,083	36,122	14,957		185,162
Miscellaneous	93,264	8,107			101,371
Depreciation	<u>39,517</u>	<u>4,504</u>	<u>-</u>	<u>-</u>	<u>44,021</u>
Total Operating Expenses	<u>3,029,748</u>	<u>1,129,795</u>	<u>14,957</u>	<u>-</u>	<u>4,174,500</u>
Operating Income	<u>184,749</u>	<u>397,439</u>	<u>74,508</u>	<u>1,005</u>	<u>657,701</u>
NONOPERATING REVENUES					
Interest Income	<u>4,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,537</u>
Total Nonoperating Revenues	<u>4,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,537</u>
Change in Net Position	189,286	397,439	74,508	1,005	662,238
Net Position, Beginning of Year	<u>252,280</u>	<u>296,869</u>	<u>48,488</u>	<u>2,415</u>	<u>600,052</u>
Net Position, End of Year	<u>\$ 441,566</u>	<u>\$ 694,308</u>	<u>\$ 122,996</u>	<u>\$ 3,420</u>	<u>\$ 1,262,290</u>

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

	Business-Type Activities - Enterprise Fund				Totals
	Food Service	Infant/ Toddler Development	Non-Major Technology Initiative	Non-Major Photography Lab Fee	
Cash Flows from Operating Activities					
Receipts from Customers	\$ 3,198,354	\$ 1,528,609	\$ 89,465	\$ 1,005	\$ 4,817,433
Payments for Employees' Salaries and Benefits	(1,066,077)	(976,333)	-	-	(2,042,410)
Payments to Suppliers for Goods and Services	(1,977,530)	(150,111)	(14,957)	-	(2,142,598)
Net Cash Provided by (Used for) Operating Activities	<u>154,747</u>	<u>402,165</u>	<u>74,508</u>	<u>1,005</u>	<u>632,425</u>
Cash Flows from Investing Activities					
Interest Earnings	<u>4,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,537</u>
Net Cash Provided by Investing Activities	<u>4,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,537</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition of Capital Assets	<u>(126,315)</u>	<u>(54,400)</u>	<u>-</u>	<u>-</u>	<u>(180,715)</u>
Net Cash (Used for) Capital and Related Financing Activities	<u>(126,315)</u>	<u>(54,400)</u>	<u>-</u>	<u>-</u>	<u>(180,715)</u>
Net Increase in Cash and Cash Equivalents	32,969	347,765	74,508	1,005	456,247
Cash and Cash Equivalents, Beginning of Year	<u>269,150</u>	<u>322,904</u>	<u>48,488</u>	<u>2,415</u>	<u>642,957</u>
Cash and Cash Equivalents, End of Year	<u>\$ 302,119</u>	<u>\$ 670,669</u>	<u>\$ 122,996</u>	<u>\$ 3,420</u>	<u>\$ 1,099,204</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$ 184,749	\$ 397,439	\$ 74,508	\$ 1,005	\$ 657,701
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation	39,517	4,504	-	-	44,021
Change in Assets and Liabilities:					
Decrease/(Increase) in Accounts Receivable	(7,628)	(1,675)	-	-	(9,303)
(Decrease)/Increase in Unearned Revenue	(8,515)	3,050	-	-	(5,465)
(Increase)/Decrease in Inventories	2,113	-	-	-	2,113
Increase/(Decrease) in Accounts Payable	(55,489)	(1,153)	-	-	(56,642)
Total Adjustments	<u>(30,002)</u>	<u>4,726</u>	<u>-</u>	<u>-</u>	<u>(25,276)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 154,747</u>	<u>\$ 402,165</u>	<u>\$ 74,508</u>	<u>\$ 1,005</u>	<u>\$ 632,425</u>

NOTES TO THE FINANCIAL STATEMENTS

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

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Ridgewood Board of Education this includes general operations, food service, infant toddler development, technology initiative, photography labs 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.

**RIDGEWOOD 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and food service and infant/toddler development 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 *infant/toddler development fund* accounts for the activities of the District's teaching and recreational school program which provides daycare and recreation to infants and toddlers.

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

The *technology initiative fund* accounts for the non refundable deposits charged to repair and replenish the districts chromebooks which are provided to students.

The *photography lab fee* accounts for the annual lab fees collected for the photography program at Ridgewood High School.

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".

**RIDGEWOOD 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)

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

**RIDGEWOOD 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)

2. *Receivables*

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

3. *Inventories*

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

Food Service Fund inventories, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased.

4. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	20-45
Right-to-use Leased Buildings	5
Machinery and Equipment	5-10

5. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Deferred Outflows/Inflows of Resources (Continued)

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

6. Compensated Absences

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

7. Pensions

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

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

8. Leases

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

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

**RIDGEWOOD 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. *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.

10 *Long-Term Obligations*

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

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

11. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

Excess Surplus – 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.

**RIDGEWOOD 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)

11. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

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.

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).

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

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

Emergency Reserve – Designated for Subsequent Year’s Expenditures – This designation was created to dedicate the portion of emergency reserve fund balance appropriated in the adopted 2023/24 District budget certified for taxes.

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

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.

Scholarship Awards – This restriction was created to represents 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.

**RIDGEWOOD 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)

11. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

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

12. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The 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.

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

3. *Tuition Revenues and Expenditures*

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service, infant/toddler development, the technology initiative and photography lab 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.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The 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.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$696,544 and the special revenue fund by \$3,755,144. The increases were funded by the additional appropriation of maintenance reserve, 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.

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$1,149,158 in the General Fund as of June 30, 2023 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2022/2023 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$1,149,158 in the General Fund is less than the delayed state aid payments at June 30, 2023.

C. Capital Reserve

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

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		\$ 3,815,530
Increased by:		
Interest Earnings	\$ 13,794	
Unexpended Balance on Withdrawal to Capital Outlay	213,155	
Deposits Approved by Board Resolution	<u>9,500,000</u>	
Total Increases		<u>9,726,949</u>
		13,542,479
Decreased by:		
Withdrawals Approved in District Budget		<u>529,002</u>
Balance, June 30, 2023		<u>\$ 13,013,477</u>

The June 30, 2023 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$65,350,280. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$1,877,114 of the capital reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

D. Maintenance Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

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

Balance, July 1, 2022	\$ 5,223,567
Increased by:	
Interest Earnings	<u>200</u>
	5,223,767
Decreased by:	
Withdrawals Approved by Resolution	<u>62,036</u>
Balance, June 30, 2023	<u>\$ 5,161,731</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$5,223,567. \$1,519,085 of the maintenance reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

E. Emergency Reserve

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

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

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

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

\$500,000 of the emergency reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% 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 \$5,345,720. Of this amount, \$2,729,048 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$2,616,672 will be appropriated in the 2024/2025 original budget certified for taxes.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$30,521,815 and bank and brokerage firm balances of the Board's deposits amounted to \$33,641,107. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 32,197,608
Uninsured and Collateralized	<u>1,443,499</u>
	<u>\$ 33,641,107</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2023 the Board's bank balance of \$1,443,499 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institutions' trust department or agent
 but not in the Board's name

\$ 1,443,499
<u>\$ 1,443,499</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.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

As of June 30, 2023, the Board had the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
U.S. Government Securities	
Fixed Income and Preferred	\$ 424,634
Equities	1,812,551
Alternative Investments	<u>99,966</u>
	<u>\$ 2,337,151</u>

The investments which were received as donations to the school district, are to be invested with specific custodians, according to donor stipulations. These custodians, which are subsidiaries of banks, make all investment decisions.

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. As of June 30, 2023, \$2,337,151 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	<u>\$ 2,337,151</u>

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. More than five (5) percent of the Board’s investments are in BNY Mellon and Morgan Stanley brokerage accounts. These investments are 100% of the District’s total investments.

Fair Value of Investments. The Ridgewood Board of Education measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by BNY Mellon and Morgan Stanley. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2023 are categorized as Level 2.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Infant/ Toddler</u>	<u>Total</u>
Receivables:					
Other	\$ 58,304	\$ -	\$ 19,068	\$ 1,675	\$ 79,047
Intergovernmental-					
Federal		298,564			298,564
State	58,062				58,062
Local	<u>35,675</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,675</u>
Gross Receivables	152,041	298,564	19,068	1,675	471,348
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 152,041</u>	<u>\$ 298,564</u>	<u>\$ 19,068</u>	<u>\$ 1,675</u>	<u>\$ 471,348</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:

General Fund	
Prepaid Fees	\$ 901,403
Special Revenue Fund	
Unencumbered Grant Draw Downs	509,138
Grant Draw Downs Reserved for Encumbrances	<u>42,393</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 1,452,934</u>

**RIDGEWOOD 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> (Restated)	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 7,435,206	-	-	\$ 7,435,206
Total Capital Assets, Not Being Depreciated	<u>7,435,206</u>	-	-	<u>7,435,206</u>
Capital Assets, Being Depreciated:				
Land Improvements	9,003,521	\$ 39,750		9,043,271
Building and Building Improvements	131,478,514	843,659		132,322,173
Right to use - Leased Buildings	202,128			202,128
Machinery and Equipment	<u>7,143,373</u>	<u>443,368</u>	-	<u>7,586,741</u>
Total Capital Assets Being Depreciated	<u>147,827,536</u>	<u>1,326,777</u>	-	<u>149,154,313</u>
Less Accumulated Depreciation for:				
Land Improvements	(4,965,315)	(713,132)		(5,678,447)
Building and Building Improvements	(51,750,381)	(2,735,332)		(54,485,713)
Right to use - Leased Buildings	(40,426)	(40,426)		(80,852)
Machinery and Equipment	<u>(5,193,512)</u>	<u>(573,210)</u>	-	<u>(5,766,722)</u>
Total Accumulated Depreciation	<u>(61,949,634)</u>	<u>(4,062,100)</u>	-	<u>(66,011,734)</u>
Total Capital Assets, Being Depreciated, Net	<u>85,877,902</u>	<u>(2,735,323)</u>	-	<u>83,142,579</u>
Governmental Activities Capital Assets, Net	<u>\$ 93,313,108</u>	<u>\$ (2,735,323)</u>	<u>\$ -</u>	<u>\$ 90,577,785</u>

**RIDGEWOOD 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)

	<u>Balance, July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2023</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Equipment	\$ 559,464	\$ 180,715	\$ -	\$ 740,179
Total Capital Assets Being Depreciated	<u>559,464</u>	<u>180,715</u>	<u>-</u>	<u>740,179</u>
Less Accumulated Depreciation for:				
Equipment	(391,542)	(44,021)	-	(435,563)
Total Accumulated Depreciation	<u>(391,542)</u>	<u>(44,021)</u>	<u>-</u>	<u>(435,563)</u>
Total Capital Assets, Being Depreciated, Net	<u>167,922</u>	<u>136,694</u>	<u>-</u>	<u>304,616</u>
Business-Type Activities Capital Assets, Net	<u>\$ 167,922</u>	<u>\$ 136,694</u>	<u>\$ -</u>	<u>\$ 304,616</u>

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

Governmental Activities:	
Instruction	
Regular	\$ 216,331
Total Instruction	<u>216,331</u>
Support Services	
Student and Instruction Related Services	130,546
School Administration	120,476
Operations and Maintenance of Plant	<u>3,594,747</u>
Total Support Services	<u>3,845,769</u>
Total Depreciation Expense - Governmental Funds	<u>\$ 4,062,100</u>
Business-Type Activities:	
Food Service Fund	\$ 39,517
Infant/Toddler Development Fund	<u>4,504</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 44,021</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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	Food Service Fund	<u>\$ 54,225</u>

The above balance is the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund. The District expects all interfund balances to be liquidated within one year.

F. Leases Payable

In August, 2021, the District entered into a five (5) year lease agreement as lessee for the use of general office space and classrooms for students. An initial lease liability was recorded in the amount of \$202,128. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$3,450 to \$3,734. As of June 30, 2023 the value of the lease liability was \$133,317. The building has a five (5) year estimated useful life. The value of the right -to-use asset as of June 30, 2023 is \$202,128 and had accumulated depreciation of \$80,852.

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

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 40,054	\$ 2,878	\$ 42,932
2025	41,936	1,855	43,791
2026	43,882	784	44,666
2027	<u>7,445</u>	<u>23</u>	<u>7,468</u>
Total	<u>\$ 133,317</u>	<u>\$ 5,540</u>	<u>\$ 138,857</u>

G. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance 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.

**RIDGEWOOD 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)

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

<p>\$940,000 fiscal year 2020 Agreement for the acquisition of technology equipment for a term of 5 years due in an annual principal installment of \$193,016 through November, 2023 interest at 2.06%</p>	<p>\$ 193,016</p>
<p>\$940,000, fiscal year 2021 Agreement for the acquisition of technology equipment for a term of 5 years due in annual principal installments of \$188,657 to \$191,205 through November, 2024 interest at 1.02%</p>	<p>379,862</p>
<p>\$940,000, fiscal year 2022 Agreement for the acquisition of technology equipment for a term of 5 years due in annual principal installments of \$186,256 to \$190,071 through December, 2025 interest at 1.02%</p>	<p>564,481</p>
<p>\$940,000, fiscal year 2023 Agreement for the acquisition of technology equipment for a term of 5 years due in annual principal installments of \$177,696 to \$195,477 through November, 2026 interest at 3.23%</p>	<p>745,969</p>
<p>\$541,878, fiscal year 2021 Agreement for the acquisition of copiers for a term of 5 years due in annual principal installments of \$88,793 to \$115,037 through March, 2025 interest at 4.23%</p>	<p><u>203,830</u></p>
<p>Total</p>	<p><u>\$ 2,087,158</u></p>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

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

Governmental Activities:

Fiscal Year

Ending

June 30,

Principal

Interest

Total

2024 \$ 860,662 \$ 44,341 \$ 905,003

2025 651,588 26,313 677,901

2026 379,432 14,367 393,799

2027 195,476 6,314 201,790

Total \$ 2,087,158 \$ 91,335 \$ 2,178,493

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:

\$3,475,000, 2011 Refunding Bonds, due in annual installments of \$230,000 to \$235,000 through February, 2028 interest at 3.25% to 4.00% \$1,170,000

\$32,860,000, 2016 School Refunding Bonds, due in annual installments of \$1,780,000 to \$2,755,000 through March, 2035, interest at 3.00% to 4.00% 27,795,000

\$6,660,000, 2016 ESIP Bonds, due in annual installments of \$210,000 to \$460,000 through November, 2035, interest at 3.00% to 4.00% 4,160,000

Total \$33,125,000

**RIDGEWOOD 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

General Obligation Bonds (Continued)

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,225,000	\$ 1,279,200	\$ 3,504,200
2025	2,320,000	1,192,075	3,512,075
2026	2,450,000	1,101,300	3,551,300
2027	2,540,000	1,005,475	3,545,475
2028	2,675,000	906,200	3,581,200
2029-2033	14,140,000	2,930,500	17,070,500
2034-2037	<u>6,775,000</u>	<u>353,800</u>	<u>7,128,800</u>
 Total	 <u>\$ 33,125,000</u>	 <u>\$ 8,768,550</u>	 <u>\$ 41,893,550</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)	\$ 285,602,360
Less: Net Debt Issued and Authorized But Not Issued	<u>33,125,000</u>
 Remaining Borrowing Power	 <u>\$ 252,477,360</u>

**RIDGEWOOD 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 (Continued)

Changes in Long-Term Liabilities

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

	<u>Balance,</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance,</u> <u>June 30, 2023</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 35,340,000		\$ 2,215,000	\$ 33,125,000	\$ 2,225,000
Add: Original Issue Premium	<u>2,540,967</u>	<u>-</u>	<u>326,603</u>	<u>2,214,364</u>	<u>-</u>
 Total Bonds Payable	 37,880,967	 -	 2,541,603	 35,339,364	 2,225,000
Capital Financing Agreements	2,197,818	\$ 940,000	1,050,660	2,087,158	860,662
Leases Payable	171,553		38,236	133,317	40,054
Compensated Absences	1,082,940		176,647	906,293	
Net Pension Liability	<u>8,571,240</u>	<u>3,967,364</u>	<u>1,921,597</u>	<u>10,617,007</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 49,904,518</u>	<u>\$ 4,907,364</u>	<u>\$ 5,728,743</u>	<u>\$ 49,083,139</u>	<u>\$ 3,125,716</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

The relationship between the Board and the insurance 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.

**RIDGEWOOD 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.

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

Fiscal Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Interest <u>Earnings</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2023	\$ 100,789	\$ 1,910	\$ 101,648	\$ 195,032
2022	87,296	450	16,595	193,122
2021	62,392	853	23,565	192,672

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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

**RIDGEWOOD 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.

**RIDGEWOOD 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	\$ 887,166	\$ 18,351,311	\$ 131,549
2022	808,275	18,679,489	103,906
2021	766,393	13,258,918	115,410

**RIDGEWOOD 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 \$5,042, \$4,986, and \$5,535, 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 \$3,722,949 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 \$10,617,007 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 0.07035 percent, which was a decrease of 0.002 percent from its proportionate share measured as of June 30, 2021 of 0.07235 percent.

**RIDGEWOOD 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 \$1,034,430 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	\$ 76,629	\$ 67,576
Changes of Assumptions	32,895	1,589,786
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	439,428	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>305,405</u>	<u>521,425</u>
Total	<u>\$ 854,357</u>	<u>\$ 2,178,787</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	\$ (1,032,707)
2024	(498,103)
2025	(237,271)
2026	447,390
2027	(3,739)
Thereafter	<u>-</u>
	<u>\$ (1,324,430)</u>

**RIDGEWOOD 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.

**RIDGEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>13,639,744</u>	\$ <u>10,617,007</u>	\$ <u>8,044,536</u>

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

Pension Plan Fiduciary Net Position

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$6,212,943 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 \$230,854,641. 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, 2021. At June 30, 2022, the State's share of the net pension liability attributable to the District was 0.44744 percent, which was a decrease of .00017 percent from its proportionate share measured as of June 30, 2021 of 0.44761 percent.

Actuarial Assumptions

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

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

**RIDGEWOOD 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)

Mortality Rates

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

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

Long-Term Expected Rate of Return

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 270,681,972</u>	<u>\$ 230,854,641</u>	<u>\$ 197,305,119</u>

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

Pension Plan Fiduciary Net Position

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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

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

**RIDGEWOOD 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)

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

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

Collective Net OPEB Liability

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

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

Actuarial Methods and Assumptions

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

**RIDGEWOOD 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)

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$4,820,845, \$4,364,284, and \$4,155,139, 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, 2021. 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 \$5,061,435. 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 \$164,060,303. 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 0.32393 percent, which was a decrease of 0.00193 percent from its proportionate share measured as of June 30, 2021 of 0.32586 percent.

**RIDGEWOOD 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%	2.75% to 4.25%
	Based on Years of Service	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.

**RIDGEWOOD 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>195,538,851</u>
Changes Recognized for the Fiscal Year:	
Service Cost	8,731,119
Interest on the Total OPEB Liability	4,347,779
Differences Between Expected and Actual Experience	3,621,648
Changes of Assumptions	(44,010,648)
Gross Benefit Payments	(4,306,604)
Contributions from the Member	138,158
Net Changes	<u>(31,478,548)</u>
Balance, June 30, 2022 Measurement Date	\$ <u><u>164,060,303</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 (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>192,835,629</u>	\$ <u>164,060,303</u>	\$ <u>140,998,318</u>

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

	<u>1%</u> <u>Decrease</u>	Healthcare Cost Trend Rates	<u>1%</u> <u>Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>135,605,868</u>	\$ <u>164,060,303</u>	\$ <u>201,436,931</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 Ridgewood Board of Education, the District’s share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

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

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

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

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

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

The Board has been awarded a total of \$2,579,562 in federal aid to address the effects of the COVID-19 pandemic.

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
Local Sources					
Property Tax Levy	\$ 101,198,061	-	\$ 101,198,061	\$ 101,198,061	
Tuition from Individuals	793,394	-	793,394	514,182	\$ (279,212)
Tuition from Other LEAs within the State	1,201,900	-	1,201,900	1,672,757	470,857
Tuition from Summer School	140,106	-	140,106	271,230	131,124
Rents and Royalties	515,066	-	515,066	369,520	(145,546)
Unrestricted Miscellaneous Revenue	1,761,286	-	1,761,286	1,823,823	62,537
Interest Earned on Current Expense Emergency Reserve	50	-	50	50	-
Interest Earned on Maintenance Reserve	200	-	200	200	-
Interest Earned on Capital Reserve Account	4,900	-	4,900	13,794	8,894
Interest Earned on Unemployment Account				1,910	1,910
Other Restricted Miscellaneous Revenues	643,645	-	643,645	855,609	211,964
State Sources					
Categorical Special Education Aid	4,885,005	-	4,885,005	4,885,005	-
Categorical Security Aid	447,742	-	447,742	447,742	-
Categorical Transportation Aid	620,535	-	620,535	620,535	-
Extraordinary Aid	2,842,192	-	2,842,192	2,824,121	(18,071)
Additional Nonpublic Transportation Aid	48,554	-	48,554	56,555	8,001
Lead Testing Water Re-Imbursement	-	-	-	12,974	12,974
Reimbursed TPAF Social Security Payments (Non-Budget)				3,722,949	3,722,949
On-behalf TPAF Pension System Contribution (Non-Budget)				18,100,191	18,100,191
On-behalf TPAF Pension - NCGI Premium (Non-Budget)				251,120	251,120
On-behalf TPAF Post Retirement Medical Contribution (Non-Budget)				4,820,845	4,820,845
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)				5,042	5,042
Federal Sources					
Medicaid Reimbursement	36,748	-	36,748	38,895	2,147
Medicaid Reimbursement - FFCRA	-	-	-	2,536	2,536
Total Revenues	115,139,384	-	115,139,384	142,509,646	27,370,262
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	2,285,912	\$ (411,964)	1,873,948	1,803,019	70,929
Grades 1-5	11,921,269	196,468	12,117,737	11,984,509	133,228
Grades 6-8	9,408,769	8,454	9,417,223	8,506,432	910,791
Grades 9-12	11,335,648	(44,730)	11,290,918	11,001,725	289,193
Regular Programs - Home Instruction					
Salaries of Teachers	10,300	13,893	24,193	24,192	1
Purchased Professional-Educational Services	10,000	50,000	60,000	13,777	46,223
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		68,069	68,069	51,727	16,342
Purchased Professional-Educational Services	18,200	5,803	24,003	18,128	5,875
Cleaning, Repair and Maintenance	37,125	(6,505)	30,620	22,560	8,060
Other Purchased Services	1,117,497	-	1,117,497	1,082,770	34,727
General Supplies	865,646	66,726	932,372	853,096	79,276
Textbooks	426,092	(25,235)	400,857	306,015	94,842
Other Objects	7,145	3,359	10,504	8,586	1,918
Total Regular Programs	37,443,603	(75,662)	37,367,941	35,676,536	1,691,405
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	1,139,878	5,410	1,145,288	1,108,195	37,093
Other Salaries for Instruction	313,477	(58,108)	255,369	246,586	8,783
General Supplies	19,000	(1,414)	17,586	16,176	1,410
Total Learning and/or Language Disabilities	1,472,355	(54,112)	1,418,243	1,370,957	47,286

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Emotional Regulation Impairment					
Other Salaries for Instruction	\$ 17,500	\$ 83,340	\$ 100,840	\$ 97,887	\$ 2,953
Purchased Professional-Educational Services	160,000	(75,200)	84,800	-	84,800
General Supplies	3,000	(134)	2,866	2,866	-
Total Emotional Regulation Impairment	180,500	8,006	188,506	100,753	87,753
Multiple Disabilities					
Salaries of Teachers	1,223,127	109,581	1,332,708	1,157,378	175,330
Other Salaries for Instruction	614,794	45,303	660,097	547,064	113,033
Purchased Professional-Educational Services		10,923	10,923	10,923	-
General Supplies	52,000	(4,001)	47,999	34,423	13,576
Total Multiple Disabilities	1,889,921	161,806	2,051,727	1,749,788	301,939
Resource Room/Resource Center					
Salaries of Teachers	5,123,595	51,049	5,174,644	4,912,229	262,415
Other Salaries for Instruction	1,114,502	(56,162)	1,058,340	894,295	164,045
Purchased Professional-Educational Services	16,000	-	16,000		16,000
General Supplies	19,500	(11,841)	7,659	7,658	1
Total Resource Room	6,273,597	(16,954)	6,256,643	5,814,182	442,461
Autism					
General Supplies	-	72	72	61	11
Total Autism	-	72	72	61	11
Preschool Disabilities - Full Time					
Salaries of Teachers	662,278	(7,443)	654,835	650,021	4,814
Other Salaries for Instruction	204,570	70,436	275,006	268,045	6,961
Purchased Professional-Educational Services	40,500	-	40,500	-	40,500
General Supplies	26,200	-	26,200	21,494	4,706
Total Preschool Disabilities - Full Time	933,548	62,993	996,541	939,560	56,981
Home Instruction					
Salaries of Teachers	14,000	4,447	18,447	18,447	-
Purchased Professional-Educational Services	20,500	19,000	39,500	26,677	12,823
Total Home Instruction	34,500	23,447	57,947	45,124	12,823
Total Special Education	10,784,421	185,258	10,969,679	10,020,425	949,254
Basic Skills/Remedial					
Salaries of Teachers	1,208,957	(98,064)	1,110,893	971,598	139,295
General Supplies	6,600	(1,305)	5,295	2,644	2,651
Total Basic Skills/Remedial	1,215,557	(99,369)	1,116,188	974,242	141,946
Bilingual Education					
Salaries of Teachers	622,652	19,821	642,473	642,472	1
General Supplies	3,260	420	3,680	2,037	1,643
Total Bilingual Education	625,912	20,241	646,153	644,509	1,644

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

	<u>Original Budget</u>	<u>Adjustments/ Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School Sponsored Co-Curricular Activities					
Salaries	\$ 382,575	\$ 62,188	\$ 444,763	\$ 431,170	\$ 13,593
Purchased Services	13,700	(2,770)	10,930	9,223	1,707
Supplies and Materials	14,400	(1,695)	12,705	9,815	2,890
Other Objects	20,650	-	20,650	19,180	1,470
	<u>431,325</u>	<u>57,723</u>	<u>489,048</u>	<u>469,388</u>	<u>19,660</u>
Total School-Sponsored Co/Extra Curricular Activities					
	<u>431,325</u>	<u>57,723</u>	<u>489,048</u>	<u>469,388</u>	<u>19,660</u>
School Sponsored Athletics - Instruction					
Salaries	726,787	38,039	764,826	754,710	10,116
Purchased Services	79,500	-	79,500	79,035	465
Cleaning, Repairs and Maintenance	30,800	(2,789)	28,011	25,357	2,654
Other Purchased Services	84,101	(69,500)	14,601	7,055	7,546
Supplies and Materials	124,750	91,056	215,806	209,275	6,531
Supplies and Materials (Nonbudgeted - Insurance Proceeds)				-	-
Other Objects	52,182	19,500	71,682	68,869	2,813
	<u>1,098,120</u>	<u>76,306</u>	<u>1,174,426</u>	<u>1,144,301</u>	<u>30,125</u>
Total School Sponsored Athletics					
	<u>1,098,120</u>	<u>76,306</u>	<u>1,174,426</u>	<u>1,144,301</u>	<u>30,125</u>
Summer School - Instruction					
Salaries of Teachers	113,311	(53,075)	60,236	60,236	-
General Supplies	500	-	500	66	434
	<u>113,811</u>	<u>(53,075)</u>	<u>60,736</u>	<u>60,302</u>	<u>434</u>
Total Summer School - Instruction					
	<u>113,811</u>	<u>(53,075)</u>	<u>60,736</u>	<u>60,302</u>	<u>434</u>
Total Instruction					
	<u>51,712,749</u>	<u>111,422</u>	<u>51,824,171</u>	<u>48,989,703</u>	<u>2,834,468</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEA's Within the State - Special	562,634	(20,109)	542,525	290,975	251,550
Tuition to County Vocational School District-Regular	547,470	19,908	567,378	567,378	-
Tuition to CSSD & Regional Day Schools	420,900	-	420,900	419,724	1,176
Tuition to Private Schools for Disabled - Within State	5,971,516	(597,521)	5,373,995	4,990,342	383,653
Tuition to Private Schools for Disabled & Other LEAs-Spl,O/S State	230,381	(70,124)	160,257	-	160,257
Tuition - Other	-	812	812	812	-
	<u>7,732,901</u>	<u>(667,034)</u>	<u>7,065,867</u>	<u>6,269,231</u>	<u>796,636</u>
Total Undistributed Expenditures - Instruction					
	<u>7,732,901</u>	<u>(667,034)</u>	<u>7,065,867</u>	<u>6,269,231</u>	<u>796,636</u>
Attendance and Social Work					
Salaries	54,227	(50,244)	3,983	3,983	-
Supplies and Materials	200	-	200	86	114
	<u>54,427</u>	<u>(50,244)</u>	<u>4,183</u>	<u>4,069</u>	<u>114</u>
Total Attendance and Social Work					
	<u>54,427</u>	<u>(50,244)</u>	<u>4,183</u>	<u>4,069</u>	<u>114</u>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	\$ 928,804	\$ (52,618)	\$ 876,186	\$ 857,040	\$ 19,146
Purchased Professional and Technical Services	163,000	(156,122)	6,878	2,179	4,699
Cleaning, Repair and Maintenance Services	500	-	500	450	50
Supplies and Materials	30,830	(1,686)	29,144	16,609	12,535
Total Health Services	1,123,134	(210,426)	912,708	876,278	36,430
Speech, OT, PT and Related Svcs.					
Salaries	1,798,241	10,124	1,808,365	1,664,013	144,352
Purchased Professional-Educational Services	911,000	355,000	1,266,000	1,039,951	226,049
Supplies and Materials	40,570	(6,878)	33,692	10,801	22,891
Total Speech, OT, PT and Related Svcs.	2,749,811	358,246	3,108,057	2,714,765	393,292
Other Support Services - Students - Extra Services					
Salaries	1,343,796	(88,962)	1,254,834	1,153,882	100,952
Purchased Professional-Educational Services	1,371,682	(8,623)	1,363,059	1,074,674	288,385
Supplies and Materials	54,236	-	54,236	34,913	19,323
Total Other Support Services - Students - Extra Services	2,769,714	(97,585)	2,672,129	2,263,469	408,660
Guidance					
Salaries of Other Professional Staff	2,185,495	21,189	2,206,684	2,099,539	107,145
Salaries of Secretarial and Clerical Assistants	250,036	(10,709)	239,327	238,866	461
Other Salaries	2,700	4,000	6,700	5,889	811
Purchased Professional-Educational Services	325,797	(179,933)	145,864	76,355	69,509
Other Purchased Services	1,900	-	1,900	184	1,716
Supplies and Materials	8,860	22,738	31,598	22,232	9,366
Other Objects	900	-	900	-	900
Total Guidance	2,775,688	(142,715)	2,632,973	2,443,065	189,908
Child Study Teams					
Salaries of Other Professional Staff	3,697,670	63,785	3,761,455	3,699,526	61,929
Salaries of Secretarial and Clerical Assistants	507,146	4,709	511,855	480,739	31,116
Purchased Professional-Educational Services	286,000	(55,612)	230,388	172,811	57,577
Other Purchased Professional-Technical Services	85,000	(20,000)	65,000	-	65,000
Other Purchased Services	12,000	-	12,000	4,948	7,052
Supplies and Materials	63,950	(1,359)	62,591	36,212	26,379
Other Objects	1,500	-	1,500	854	646
Total Child Study Teams	4,653,266	(8,477)	4,644,789	4,395,090	249,699
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	1,422,665	-	1,422,665	1,390,659	32,006
Salaries of Other Professional Staff	347,044	(749)	346,295	245,922	100,373
Salaries of Secretarial and Clerical Assistants	257,870	2,574	260,444	237,904	22,540
Purchased Professional - Educational Services	30,000	-	30,000	20,702	9,298
Other Purchased Services	47,250	-	47,250	2,937	44,313
Supplies and Materials	2,500	448	2,948	1,339	1,609
Other Objects	12,265	-	12,265	5,314	6,951
Total Improvement of Instructional Services	2,119,594	2,273	2,121,867	1,904,777	217,090

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Educational Media Services/School Library					
Salaries	\$ 1,376,739	\$ (226,641)	\$ 1,150,098	\$ 1,068,277	\$ 81,821
Purchased Professional and Technical Services	91,069	6,454	97,523	97,523	-
Cleaning, Repair and Maintenance Services	250	-	250		250
Supplies and Materials	145,350	(1,986)	143,364	137,051	6,313
Total Educational Media Serv./School Library	1,613,408	(222,173)	1,391,235	1,302,851	88,384
Instructional Staff Training Services					
Salaries of Other Professional Staff	32,683	(4,540)	28,143	4,829	23,314
Purchased Professional - Educational Services	92,000	(32,381)	59,619	21,907	37,712
Other Purchased Services	157,750	(21,070)	136,680	42,545	94,135
Supplies and Materials	5,250	-	5,250	493	4,757
Total Instructional Staff Training Services	287,683	(57,991)	229,692	69,774	159,918
Support Services - General Administration					
Salaries of Other Professional Staff	243,805	50,814	294,619	281,398	13,221
Salaries of Secretarial and Clerical Assistants	2,000	68,167	70,167	69,787	380
Other Salaries	2,800	(2,800)	-	-	-
Legal Services	266,000	46,396	312,396	310,120	2,276
Audit Fees	59,008	14,861	73,869	73,506	363
Architectural/Engineering Services	51,500	82,123	133,623	111,447	22,176
Other Purchased Professional Services	66,476	16,345	82,821	71,291	11,530
Insurance	320,055	(48,570)	271,485	261,349	10,136
Communications/Telephone	275,234	(96,712)	178,522	31,831	146,691
BOE Other Purchased Services	-	-	-	-	-
Misc Purchased Services	41,163	(32,782)	8,381	3,784	4,597
General Supplies	19,528	(493)	19,035	6,309	12,726
Judgments Against the School District	74,200	(68,852)	5,348	-	5,348
Miscellaneous Expenditures	29,235	(21,000)	8,235	6,872	1,363
BOE Membership Dues and Fees	32,612	-	32,612	26,663	5,949
Total Support Services - General Administration	1,483,616	7,497	1,491,113	1,254,357	236,756
Support Services - School Administration					
Salaries of Principal/Asst. Principals	2,773,660	(18,594)	2,755,066	2,751,806	3,260
Salaries of Secretarial and Clerical Assistants	980,933	16,144	997,077	981,288	15,789
Other Purchased Services	17,600	635	18,235	7,031	11,204
Supplies and Materials	119,582	(14,380)	105,202	79,030	26,172
Other Objects	4,500	-	4,500	1,523	2,977
Total Support Services - School Administration	3,896,275	(16,195)	3,880,080	3,820,678	59,402
Central Services					
Salaries	1,188,251	147,872	1,336,123	1,334,889	1,234
Purchased Professional Services	241,198	(89,134)	152,064	116,780	35,284
Misc Purchased Services	38,394	5,953	44,347	16,360	27,987
Supplies and Materials	34,500	8,180	42,680	32,465	10,215
Miscellaneous Expenditures	4,650	8,375	13,025	11,996	1,029
Total Central Services	1,506,993	81,246	1,588,239	1,512,490	75,749

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Admin. Info. Technology					
Salaries	\$ 680,874	\$ 170,769	\$ 851,643	\$ 851,053	\$ 590
Purchased Professional Services	345,210	(11,378)	333,832	241,664	92,168
Other Purchased Services	11,985	(3,394)	8,591	2,272	6,319
Supplies and Materials	3,000	3,144	6,144	5,856	288
Other Objects	575	1,550	2,125	2,125	-
Total Admin. Info. Technology	1,041,644	160,691	1,202,335	1,102,970	99,365
Required Maintenance for School Facilities					
Salaries	164,446	5,150	169,596	169,596	-
Cleaning, Repair and Maintenance Services	1,776,028	108,331	1,884,359	1,836,688	47,671
Lead Testing of Drinking Water		-	-	-	-
General Supplies	398,000	(58,190)	339,810	327,044	12,766
Other Objects	2,000	(2,000)	-	-	-
Total Required Maintenance for School Facilities	2,340,474	53,291	2,393,765	2,333,328	60,437
Custodial Services					
Salaries	95,000	(76,852)	18,148	13,285	4,863
Salaries of Non-Instructional Aides	288,161	(96,293)	191,868	171,664	20,204
Purchased Professional and Technical Services		2,950	2,950	2,950	-
Cleaning, Repair and Maintenance Services	4,879,295	(301,099)	4,578,196	4,554,571	23,625
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	205,433	(52,750)	152,683	105,086	47,597
Other Purchased Property Services	173,261	54,179	227,440	217,071	10,369
Insurance	618,599	(53,845)	564,754	543,065	21,689
General Supplies	531,322	(63,925)	467,397	425,411	41,986
Energy (Natural Gas)	494,652	207,658	702,310	533,619	168,691
Energy (Electricity)	612,825	243,396	856,221	847,496	8,725
Energy (Gasoline)	19,800	592	20,392	20,392	-
Interest - Energy Savings Impr Prog Bonds	154,150	-	154,150	154,150	-
Principal - Energy Savings Impr Prog Bonds	305,000	-	305,000	305,000	-
Total Custodial Services	8,377,498	(135,989)	8,241,509	7,893,760	347,749
Care and Upkeep of Grounds					
Purchased Professional and Technical Services	97,530	(93,562)	3,968		3,968
Cleaning, Repair and Maintenance Services	398,023	50,292	448,315	399,264	49,051
Cleaning, Repair and Maint. Services (Nonbudgeted - Insurance Proc.)				-	-
General Supplies	141,380	10,519	151,899	97,788	54,111
Total Care and Upkeep of Grounds	636,933	(32,751)	604,182	497,052	107,130
Security					
Salaries	63,043	2,211	65,254	60,306	4,948
Purchased Professional and Technical Services	173,180	9,131	182,311	177,677	4,634
Cleaning, Repair and Maintenance Services	64,909	-	64,909	63,139	1,770
General Supplies	25,484	596	26,080	15,589	10,491
Total Security	326,616	11,938	338,554	316,711	21,843

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries for Pupil Transportation(Bet Home & Sch) Reg	\$ 67,710	\$ 18	\$ 67,728	\$ 67,727	\$ 1
Salaries for Pupil Transportation(Other than Bet Home & Sch)	56,420	533	56,953	34,074	22,879
Management Fee-ESC and CTSA Transportation Prog.	64,654	(12,564)	52,090	52,090	-
Cleaning, Repair and Maintenance Services	14,000	16,154	30,154	28,627	1,527
Contracted Services - Aid in Lieu of Payments - Non Public	211,000	(45,548)	165,452	157,952	7,500
Contracted Svcs. (Between Home & School) - Vendors	1,128,699	237,743	1,366,442	1,274,777	91,665
Contracted Svcs. (Other than Between Home and School) - Vendors	303,500	(53,421)	250,079	230,043	20,036
Contracted Services (Bet. Home & Sch)-Joint Agreements	156,676	(89,176)	67,500	58,966	8,534
Contracted Services (Special Ed. Students)-Vendors	79,560	84,834	164,394	121,408	42,986
Contracted Services (Special Ed. Students)-Joint Agreements	2,631,600	277,570	2,909,170	2,747,418	161,752
General Supplies	300	10,000	10,300	8,135	2,165
Total Student Transportation Services	4,714,119	426,143	5,140,262	4,781,217	359,045
Unallocated Benefits - Employee Benefits					
Social Security Contributions	1,115,703	129,154	1,244,857	1,227,619	17,238
Other Retirement Contributions - DCRP	170,000	-	170,000	131,549	38,451
Other Retirement Contributions - PERS	902,400	12,247	914,647	910,157	4,490
Unemployment Compensation	-	-	-	-	-
Workmen's Compensation	339,250	(32,910)	306,340	110,338	196,002
Health Benefits	12,070,195	114,511	12,184,706	11,253,488	931,218
Tuition Reimbursement	295,000	950	295,950	141,765	154,185
Other Employee Benefits	12,000	-	12,000	7,358	4,642
Memberships Administrators RAA	39,000	(950)	38,050	23,339	14,711
Unused Sick Payment to Terminated/Retired Staff	5,000	(5,000)	-	-	-
Total Unallocated Benefits-Employee Benefits	14,948,548	218,002	15,166,550	13,805,613	1,360,937
Reimbursed TPAF Social Security Payments (Non-Budget)					
				3,722,949	(3,722,949)
On-behalf TPAF Pension System Contribution (Non-Budget)					
				18,100,191	(18,100,191)
On-behalf TPAF Pension - NCGI Premium (Non-Budget)					
				251,120	(251,120)
On-behalf TPAF Post Retirement Medical Contribution (Non-Budget)					
				4,820,845	(4,820,845)
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)					
				5,042	(5,042)
Total On-Behalf TPAF	-	-	-	26,900,147	(26,900,147)
Total Undistributed Expenditures	65,152,342	(322,253)	64,830,089	86,461,692	(21,631,603)
Interest Earned on Maintenance Reserve					
	200	-	200	-	200
Interest Earned on Current Expense Emergency Res					
	50	-	50	-	50
Total Expenditures - Current Expenditures	116,865,341	(210,831)	116,654,510	135,451,395	(18,796,885)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction					
Grades 1-5		9,070	9,070	9,057	13
Grades 9-12		11,343	11,343	10,073	1,270
Undistributed Expenditures					
Support Services - Education Media/Library	53,165	55,799	108,964	108,964	-
Support Services - School Administration		13,025	13,025	13,025	-
Support Services - Central Services		9,979	9,979	9,979	-
Support Services - Operation Maint for School Fac.		807,499	807,499	610,539	196,960
Care and Upkeep of Grounds		-	-	-	-
Total Equipment	53,165	906,715	959,880	761,637	198,243

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
CAPITAL OUTLAY (Continued)					
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	\$ 49,000	\$ 660	\$ 49,660	-	\$ 49,660
Other Purchased Professional and Technical Services	28,394	-	28,394		28,394
Construction Services	355,606	-	355,606	\$ 219,845	135,761
Assessment for Debt Service on SDA Funding	42,837	-	42,837	42,837	-
Total Facilities Acquisition and Construction Services	475,837	660	476,497	262,682	213,815
Interest Deposit into Capital Reserve	4,900	-	4,900	-	4,900
Total Capital Outlay	533,902	907,375	1,441,277	1,024,319	416,958
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	275,000	(30,150)	244,850	215,422	29,428
General Supplies	14,000	-	14,000	10,173	3,827
Total Summer School - Instruction	289,000	(30,150)	258,850	225,595	33,255
Summer School - Support Services					
Salaries	72,926	(1,508)	71,418	45,658	25,760
Personal Services - Employee Benefits	48,558	-	48,558	21,350	27,208
Other Purchased Services	9,575	30,150	39,725	33,650	6,075
Other Objects	15,000	-	15,000	12,881	2,119
Total Summer School - Support Services	146,059	28,642	174,701	113,539	61,162
Other Special Schools - Instruction					
Salaries of Teachers	340,000	(51,000)	289,000	238,731	50,269
Purchased Professional and Technical Services	55,000	-	55,000	40,235	14,765
General Supplies	16,000	-	16,000	4,667	11,333
Total Other Special Schools - Instruction	411,000	(51,000)	360,000	283,633	76,367
Other Special Schools - Support Services					
Salaries	51,399	38,463	89,862	80,529	9,333
Personal Services - Employee Benefits	59,649	-	59,649	38,931	20,718
Other Purchased Services	78,165	12,537	90,702	46,125	44,577
Supplies and Materials	3,750	(3,000)	750	699	51
Other Objects	24,450	3,000	27,450	16,183	11,267
Total Other Special Schools - Support Services	217,413	51,000	268,413	182,467	85,946
Adult Education - Local - Instruction					
Salaries of Teachers	125,000	-	125,000	102,686	22,314
Purchased Professional and Technical Services	53,500	-	53,500	39,095	14,405
General Supplies	1,800	-	1,800	1,343	457
Other Objects	4,000	(1,300)	2,700	730	1,970
Total Adult Education - Local - Instruction	184,300	(1,300)	183,000	143,854	39,146

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Adult Education - Local - Support Services					
Other Salaries	\$ 57,773	\$ 1,508	\$ 59,281	\$ 58,345	\$ 936
Personal Services - Employee Benefits	45,812	-	45,812	32,618	13,194
Other Purchased Services	96,335	1,300	97,635	92,777	4,858
Supplies and Materials	1,000	-	1,000	525	475
Other Objects	17,000	-	17,000	16,129	871
Total Adult Education - Local - Support Services	217,920	2,808	220,728	200,394	20,334
Total Special Schools	1,465,692	-	1,465,692	1,149,482	316,210
Total Expenditures	118,864,935	696,544	119,561,479	137,625,196	(18,063,717)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(3,725,551)	(696,544)	(4,422,095)	4,884,450	9,306,545
Change in Fund Balance	(3,725,551)	(696,544)	(4,422,095)	4,884,450	9,306,545
Fund Balance, Beginning of Year	22,426,074	-	22,426,074	22,426,074	-
Fund Balance, End of Year	\$ 18,700,523	\$ (696,544)	\$ 18,003,979	\$ 27,310,524	\$ 9,306,545
Recapitulation Of Fund Balance:					
Restricted Fund Balance:					
Excess Surplus				2,616,672	
Excess Surplus - Designated for Subsequent Year's Expenditures				2,729,048	
Capital Reserve				11,136,363	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,877,114	
Maintenance Reserve				3,642,646	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				1,519,085	
Emergency Reserve				500,000	
Emergency Reserve - Designated for Subsequent Year's Expenditures				500,000	
Unemployment Claims				195,032	
Assigned Fund Balance:					
Year End Encumbrances				372,062	
Unassigned Fund Balance				2,222,502	
Reconciliation to Governmental Fund Statement (GAAP)				27,310,524	
State Aid Payments Not Recognized on GAAP Basis					
Extraordinary Aid			\$ (2,824,121)		
Delayed State Aid Payments			(547,539)		
				(3,371,660)	
Fund Balance Per Governmental Funds (GAAP)				\$ 23,938,864	

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

	<u>Original Budget</u>	<u>Adjustments/ Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
Local		\$ 2,165,730	\$ 2,165,730	\$ 2,081,629	\$ (84,101)
State	\$ 14,201	28,005	42,206	8,748	(33,458)
Federal	1,403,473	1,561,409	2,964,882	2,169,221	(795,661)
Total Revenues	<u>1,417,674</u>	<u>3,755,144</u>	<u>5,172,818</u>	<u>4,259,598</u>	<u>(913,220)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	181,679	302,769	484,448	312,749	171,699
Other Salaries for Instruction		150,000	150,000	112,372	37,628
Purchased Prof./Educational Services	5,571	6,009	11,580	10,880	700
Other Purchased Professional Services	2,455	(2,455)	-	-	-
Tuition	1,221,794	141,964	1,363,758	1,231,425	132,333
Supplies and Materials		278,260	278,260	170,632	107,628
Textbooks	1,025	1,285	2,310	132	2,178
Student Co-Curricular and Athletics		1,136,716	1,136,716	1,136,716	-
Miscellaneous	-	335,916	335,916	79,627	256,289
Total Instruction	<u>1,412,524</u>	<u>2,350,464</u>	<u>3,762,988</u>	<u>3,054,533</u>	<u>708,455</u>
Support Services					
Salaries of Other Professional Staff		237,019	237,019	113,501	123,518
Salaries of Noninstructional Aides		55,274	55,274	19,634	35,640
Personnel Services - Employee Benefits		155,314	155,314	123,239	32,075
Purchased Prof./Educational Services		180,972	180,972	110,499	70,473
Other Purchased Professional Services	5,150	230,161	235,311	186,200	49,111
Scholarships Awarded/Net Loss on Inv.		229,952	229,952	229,952	-
Miscellaneous Expenditures	-	4,665	4,665	-	4,665
Total Support Services	<u>5,150</u>	<u>1,093,357</u>	<u>1,098,507</u>	<u>783,025</u>	<u>315,482</u>
Facilities Acquisition and Construction Services					
Construction Services	-	190,000	190,000	190,000	-
Non-instructional Equipment	-	121,323	121,323	91,325	29,998
Total Facilities Acquisition and Const.Ser.	<u>-</u>	<u>311,323</u>	<u>311,323</u>	<u>281,325</u>	<u>29,998</u>
Total Expenditures	<u>1,417,674</u>	<u>3,755,144</u>	<u>5,172,818</u>	<u>4,118,883</u>	<u>1,053,935</u>
Excess of Revenues over Expenses	-	-	-	140,715	140,715
Fund Balance, July 1,	<u>2,949,860</u>	-	<u>2,949,860</u>	<u>2,949,860</u>	-
Fund Balance, June 30	<u>\$ 2,949,860</u>	<u>\$ -</u>	<u>\$ 2,949,860</u>	<u>\$ 3,090,575</u>	<u>\$ 140,715</u>
Student Activity/Athletic Funds				\$ 316,756	
Scholarships				<u>2,773,819</u>	
				<u>\$ 3,090,575</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**RIDGEWOOD BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
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 Schedules - 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 schedules (Exhibits C-1 and C-2)	\$ 142,509,646	\$ 4,259,598
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		44,587
Encumbrances June 30, 2023		(42,393)
State Aid payments recognized for budgetary purposes not recognized for GAAP statements		
Prior Year	3,449,438	
Current Year	<u>(3,371,660)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 142,587,424</u>	<u>\$ 4,261,792</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 137,625,196	\$ 4,118,883
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances June 30, 2022		44,587
Encumbrances June 30, 2023	<u>-</u>	<u>(42,393)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 137,625,196</u>	<u>\$ 4,121,077</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

POST-EMPLOYMENT BENEFITS INFORMATION

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

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Ten Fiscal Years ***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.07035%	0.07235%	0.07005%	0.07088%	0.07200%	0.07514%	0.07918%	0.08106%	0.12008%	0.11244%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 10,617,007</u>	<u>\$ 8,571,240</u>	<u>\$ 11,424,535</u>	<u>\$ 12,273,286</u>	<u>\$ 14,178,235</u>	<u>\$ 17,491,143</u>	<u>\$ 23,451,718</u>	<u>\$ 18,196,878</u>	<u>\$ 22,482,937</u>	<u>\$ 21,488,873</u>
District's Covered Payroll	<u>\$ 5,090,504</u>	<u>\$ 5,105,332</u>	<u>\$ 5,222,317</u>	<u>\$ 5,068,384</u>	<u>\$ 4,924,565</u>	<u>\$ 5,000,343</u>	<u>\$ 5,088,990</u>	<u>\$ 5,355,142</u>	<u>\$ 7,167,298</u>	<u>\$ 7,023,952</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	208.56%	167.89%	218.76%	242.15%	287.91%	349.80%	460.83%	339.80%	313.69%	305.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

**RIDGEWOOD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S 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	\$ 887,166	\$ 808,275	\$ 766,393	\$ 689,544	\$ 716,258	\$ 696,082	\$ 703,450	\$ 696,919	\$ 989,952	\$ 847,187
Contributions in Relation to the Contractually Required Contributions	<u>887,166</u>	<u>808,275</u>	<u>766,393</u>	<u>689,544</u>	<u>716,258</u>	<u>696,082</u>	<u>703,450</u>	<u>696,919</u>	<u>989,952</u>	<u>847,187</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	<u>\$ 4,948,376</u>	<u>\$ 5,090,504</u>	<u>\$ 5,105,332</u>	<u>\$ 5,222,317</u>	<u>\$ 5,068,384</u>	<u>\$ 4,924,565</u>	<u>\$ 5,000,343</u>	<u>\$ 5,088,990</u>	<u>\$ 5,355,142</u>	<u>\$ 7,167,298</u>
Contributions as a Percentage of Covered Payroll	17.93%	15.88%	15.01%	13.20%	14.13%	14.13%	14.07%	13.69%	18.49%	11.82%

**RIDGEWOOD 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)										
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>230,854,641</u>	<u>215,187,353</u>	<u>293,815,005</u>	<u>271,531,940</u>	<u>272,952,994</u>	<u>300,609,650</u>	<u>346,457,855</u>	<u>280,128,643</u>	<u>231,014,249</u>	<u>223,403,034</u>
Total	<u>\$ 230,854,641</u>	<u>\$ 215,187,353</u>	<u>\$ 293,815,005</u>	<u>\$ 271,531,940</u>	<u>\$272,952,994</u>	<u>\$300,609,650</u>	<u>\$ 346,457,855</u>	<u>\$ 280,128,643</u>	<u>\$231,014,249</u>	<u>\$223,403,034</u>
District's Covered Payroll	<u>\$ 51,330,183</u>	<u>\$ 51,041,915</u>	<u>\$ 51,351,946</u>	<u>\$ 48,375,614</u>	<u>\$ 47,693,601</u>	<u>\$ 45,578,273</u>	<u>\$ 44,290,765</u>	<u>\$ 44,690,162</u>	<u>\$ 43,796,359</u>	<u>\$ 42,920,432</u>
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.

**RIDGEWOOD 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 4.

**RIDGEWOOD 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	\$ 8,731,119	\$ 9,935,784	\$ 5,599,218	\$ 5,381,730	\$ 6,008,296	\$ 7,186,978
Interest on Total OPEB Liability	4,347,779	5,072,484	4,893,585	5,966,519	6,302,473	5,465,675
Change of Benefits	-	(208,127)				
Differences Between Expected and Actual Experience	3,621,648	(36,660,677)	37,861,911	(24,055,695)	(12,281,458)	
Changes of Assumptions	(44,010,648)	192,914	40,382,347	2,028,777	(17,304,961)	(22,719,433)
Gross Benefit Payments	(4,306,604)	(3,995,696)	(3,848,690)	(4,176,865)	(4,032,316)	(4,113,092)
Contribution from the Member	<u>138,158</u>	<u>129,679</u>	<u>116,654</u>	<u>123,814</u>	<u>139,363</u>	<u>151,454</u>
Net Change in Total OPEB Liability	<u>(31,478,548)</u>	<u>(25,533,639)</u>	<u>85,005,025</u>	<u>(14,731,720)</u>	<u>(21,168,603)</u>	<u>(14,028,418)</u>
Total OPEB Liability - Beginning	<u>195,538,851</u>	<u>221,072,490</u>	<u>136,067,465</u>	<u>150,799,185</u>	<u>171,967,788</u>	<u>185,996,206</u>
Total OPEB Liability - Ending	<u>\$ 164,060,303</u>	<u>\$ 195,538,851</u>	<u>\$ 221,072,490</u>	<u>\$ 136,067,465</u>	<u>\$ 150,799,185</u>	<u>\$ 171,967,788</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>164,060,303</u>	<u>195,538,851</u>	<u>221,072,490</u>	<u>136,067,465</u>	<u>150,799,185</u>	<u>171,967,788</u>
Total OPEB Liability - Ending	<u>\$ 164,060,303</u>	<u>\$ 195,538,851</u>	<u>\$ 221,072,490</u>	<u>\$ 136,067,465</u>	<u>\$ 150,799,185</u>	<u>\$ 171,967,788</u>
District's Covered Payroll	<u>\$ 56,420,687</u>	<u>\$ 56,147,247</u>	<u>\$ 56,574,263</u>	<u>\$ 53,443,998</u>	<u>\$ 52,618,166</u>	<u>\$ 50,578,616</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee 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.

**RIDGEWOOD 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 4.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	I.D.E.A.		ARP - I.D.E.A.		Student Activities and Athletics	Scholarships	Other Grants	Subtotal Page 2	Subtotal Page 3	Total
	Part B Basic	Preschool	Part B Basic	Preschool						
REVENUES										
Local					\$ 1,165,758	\$ 341,625	\$ 574,246			\$ 2,081,629
State									\$ 8,748	8,748
Federal	\$ 1,089,336	\$ 44,619	\$ 86,203	\$ 20,274	-	-	-	\$ 825,468	103,321	2,169,221
Total Revenues	1,089,336	44,619	86,203	20,274	1,165,758	341,625	574,246	825,468	112,069	4,259,598
EXPENDITURES										
Instruction										
Salaries of Teachers			53,767	18,833			34,551	204,640	958	312,749
Other Salaries for Instruction								112,372	-	112,372
Purchased Prof./Educational Services							10,880	-	-	10,880
Other Purchased Professional Services								-	-	-
Tuition	1,089,336	44,619						97,470	-	1,231,425
Travel								-	-	-
Supplies and Materials			3,295				107,670	42,131	17,536	170,632
Textbooks								-	132	132
Student Co-Curricular and Athletics					1,136,716			-	-	1,136,716
Miscellaneous	-	-	-	-	-	-	79,597	-	30	79,627
Total Instruction	1,089,336	44,619	57,062	18,833	1,136,716	-	232,698	456,613	18,656	3,054,533
Support Services										
Salaries of Other Professional Staff								94,544	18,957	113,501
Salaries of Non-Instructional Aides								19,634	-	19,634
Personnel Services - Employee Benefits			6,159	1,441			7,588	61,165	46,886	123,239
Purchased Prof./Educational Services							52,635	57,864	-	110,499
Other Purchased Professional Services			22,982					135,648	27,570	186,200
Cleaning, Repair & Maintenance								-	-	-
Rental								-	-	-
Transportation								-	-	-
Travel								-	-	-
General Supplies								-	-	-
Scholarships Awarded/Net Loss on Inv.						\$ 229,952		-	-	229,952
Miscellaneous Expenditures	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	-	29,141	1,441	-	229,952	60,223	368,855	93,413	783,025
Facilities Acquisition and Construction Services										
Construction Services							190,000			190,000
Instructional Equipment								-	-	-
Non-Instructional Equipment							91,325	-	-	91,325
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	281,325	-	-	281,325
Total Expenditures	1,089,336	44,619	86,203	20,274	1,136,716	229,952	574,246	825,468	112,069	4,118,883
Excess of Revenues over Expenses	-	-	-	-	29,042	111,673	-	-	-	140,715
Fund Balance, July 1	-	-	-	-	287,714	2,662,146	-	-	-	2,949,860
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ 316,756	\$ 2,773,819	\$ -	\$ -	\$ -	\$ 3,090,575

Continued

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

	<u>CRRSA ESSER II</u>	<u>CRRSA Lea. Accel.</u>	<u>CRRSA Ment. Health</u>	<u>ARP ESSER III</u>	<u>ARP Lea. Accel.</u>	<u>ARP Comp Bevo</u>	<u>ARP Ment. Health</u>	<u>Page 2 Total</u>
REVENUES								
Federal	\$ 20,192	\$ 1,940	\$ 22,999	\$ 504,491	\$ 271,166	\$ 2,843	\$ 1,837	\$ 825,468
Total Revenues	<u>20,192</u>	<u>1,940</u>	<u>22,999</u>	<u>504,491</u>	<u>271,166</u>	<u>2,843</u>	<u>1,837</u>	<u>825,468</u>
EXPENDITURES								
Instruction								
Salaries of Teachers				204,640				204,640
Other Salaries for Instruction				112,372				112,372
Purchased Prof./Educational Services								-
Other Purchased Professional Services								-
Tuition				97,470				97,470
Travel								-
Supplies and Materials	15,971		-	26,160				42,131
Textbooks								-
Student Co-Curricular and Athletics								-
Miscellaneous								-
Total Instruction	<u>15,971</u>	<u>-</u>	<u>-</u>	<u>440,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>456,613</u>
Support Services								
Salaries of Other Professional Staff					94,544			94,544
Salaries of Non-Instructional Aides				19,634				19,634
Personnel Services - Employee Benefits	4,221	240	576	44,215	7,233	2,843	1,837	61,165
Purchased Prof./Educational Services					57,864			57,864
Other Purchased Professional Services		1,700	22,423		111,525			135,648
Cleaning Repair & Maintenance								-
Rental								-
Transportation								-
Travel								-
General Supplies								-
Scholarship Awards								-
Miscellaneous Expenditures								-
Total Support Services	<u>4,221</u>	<u>1,940</u>	<u>22,999</u>	<u>63,849</u>	<u>271,166</u>	<u>2,843</u>	<u>1,837</u>	<u>368,855</u>
Facilities Acquisition and Construction Services								
Instructional Equipment								-
Non-Instructional Equipment								-
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>20,192</u>	<u>1,940</u>	<u>22,999</u>	<u>504,491</u>	<u>271,166</u>	<u>2,843</u>	<u>1,837</u>	<u>825,468</u>
Excess of Revenues over Expenses	-	-	-	-	-	-	-	-
Fund Balance, July 1,	-	-	-	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Nonpublic				Title I	Title II A	Homeless ARP	Title III	Title III Immigrant	Climate Awareness	Page 3 Total
	Textbooks	Nursing	Technology	Security							
REVENUES											
State	\$ 132	\$ 224	\$ 1,470	\$ 410						\$ 6,512	\$ 8,748
Federal	-	-	-	-	\$ 22,032	\$ 64,657	\$ 30	\$ 16,450	\$ 152	-	103,321
Total Revenues	132	224	1,470	410	22,032	64,657	30	16,450	152	6,512	112,069
EXPENDITURES											
Instruction											
Salaries of Teachers					958						958
Other Salaries for Instruction											-
Purchased Prof./Educational Services											-
Other Purchased Professional Services											-
Tuition											-
Travel											-
Supplies and Materials			1,470	410	595	-		8,397	152	6,512	17,536
Textbooks	132										132
Student Co-Curricular and Athletics											-
Miscellaneous	-	-	-	-	-	-	\$ 30	-	-	-	30
Total Instruction	132	-	1,470	410	1,553	-	30	8,397	152	6,512	18,656
Support Services											
Salaries of Other Professional Staff						18,957					18,957
Salaries of Non-Instructional Aides											-
Personnel Services - Employee Benefits					73	45,700		1,113			46,886
Purchased Prof./Educational Services											-
Other Purchased Professional Services		224			20,406			6,940			27,570
Cleaning Repair & Maintenance											-
Rental											-
Transportation											-
Travel							-		-	-	-
General Supplies	-	-	-	-	-	-	-	-	-	-	-
Scholarship Awards											-
Miscellaneous Expenditures	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	224	-	-	20,479	64,657	-	8,053	-	-	93,413
Facilities Acquisition and Construction Services											
Instructional Equipment											-
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	132	224	1,470	410	22,032	64,657	30	16,450	152	6,512	112,069
Excess of Revenues over Expenses	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**RIDGEWOOD 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

**SPECIAL REVENUE FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Balance, July 1, 2022</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2023</u>
ELEMENTARY SCHOOLS				
Hawes	\$ 8,590	\$ 15,616	\$ 22,046	\$ 2,160
Orchard	2,152	15,957	15,428	2,681
Ridge	3,573	51,489	51,571	3,491
Somerville	17,982	44,394	46,636	15,740
Travell	1,075	10,475	9,504	2,046
Willard	<u>19,636</u>	<u>43,674</u>	<u>43,569</u>	<u>19,741</u>
Total Elementary Schools	<u>53,008</u>	<u>181,605</u>	<u>188,754</u>	<u>45,859</u>
MIDDLE SCHOOLS				
Benjamin Franklin	37,204	104,486	101,019	40,671
George Washington	<u>35,250</u>	<u>110,065</u>	<u>95,342</u>	<u>49,973</u>
Total Junior High School	<u>72,454</u>	<u>214,551</u>	<u>196,361</u>	<u>90,644</u>
HIGH SCHOOL				
Ridgewood High School	162,228	607,138	590,796	178,570
Athletic Accounts	<u>24</u>	<u>162,464</u>	<u>160,805</u>	<u>1,683</u>
Total Senior High School	<u>162,252</u>	<u>769,602</u>	<u>751,601</u>	<u>180,253</u>
Total All Schools	<u>\$ 287,714</u>	<u>\$ 1,165,758</u>	<u>\$ 1,136,716</u>	<u>\$ 316,756</u>

CAPITAL PROJECTS FUND

**RIDGEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue Project Title</u>	<u>Modified Appropriation</u>	<u>Prior Years</u>	<u>Expenditures to Date</u>		<u>Balance, June 30, 2023</u>
			<u>Current Year</u>	<u>Cancelled</u>	
<u>Capital Leases</u>					
2021-2022 Capital Lease - Computer Equipment	\$ 940,159	\$ 857,617	\$ 82,395	-	\$ 147
2022-2023 Capital Lease - Computer Equipment	<u>940,160</u>	<u>-</u>	<u>931,350</u>	<u>-</u>	<u>8,810</u>
	<u>\$ 1,880,319</u>	<u>\$ 857,617</u>	<u>\$ 1,013,745</u>	<u>\$ -</u>	<u>\$ 8,957</u>

Reconciliation to GAAP

Project Balances, June 30, 2023 - Budgetary	<u>\$ 8,957</u>
Fund Balance, June 30, 2023 - GAAP	<u>\$ 8,957</u>

Recapitulation of Fund Balance

Restricted for Capital Projects	
Reserve for Encumbrances	\$ 8,561
Capital Lease Reserve	<u>396</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 8,957</u>

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

Revenues and Other Financing Sources	
Capital Lease Proceeds	\$ 940,000
Interest	<u>160</u>
Total Revenues and Other Financing Sources	<u>940,160</u>
Expenditures and Other Financing Uses	
Professional Services	82,328
Supplies and Materials	925,323
Equipment	<u>6,094</u>
Total Expenditures and Other Financing Uses	<u>1,013,745</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(73,585)
Fund Balance, Beginning of Year	<u>82,542</u>
Fund Balance - End of Year	<u>\$ 8,957</u>
<u>Reconciliation to GAAP Basis</u>	
Fund Balance, June 30, 2023 - Budgetary Basis	<u>\$ 8,957</u>
Fund Balance, June 30, 2023 - GAAP Basis	<u>\$ 8,957</u>

**RIDGEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
2021-2022 CAPITAL LEASE - COMPUTER EQUIPMENT
FROM INCEPTION THROUGH 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 Lease Proceeds	\$ 940,000		\$ 940,000	\$ 940,000
Interest	<u>159</u>	<u>-</u>	<u>159</u>	<u>159</u>
 Total Revenues	 <u>940,159</u>	 <u>-</u>	 <u>940,159</u>	 <u>940,159</u>
 EXPENDITURES AND OTHER FINANCING SOURCES				
Professional Services	27,225	\$ 3,280	30,505	30,505
Supplies and Materials	830,392	79,115	909,507	909,654
Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Expenditures and other Financing Sources	 <u>857,617</u>	 <u>82,395</u>	 <u>940,012</u>	 <u>940,159</u>
 Excess of Revenues over Expenditures	 <u>\$ 82,542</u>	 <u>\$ (82,395)</u>	 <u>\$ 147</u>	 <u>\$ -</u>

Additional Project Information:

NJ DOE Project Number	N/A
SDA Project Number	N/A
Grant Number	N/A
Grant Notification Date	N/A
Grant Amount	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 940,000
Additional Authorized Cost	\$ 159
Revised Authorized Cost	\$ 940,159

Percentage Increase (Decrease) over Original Authorized

Cost	0.02%
Percentage Completion	99.98%
Original Target Completion Date	06/30/2022
Revised Target Completion Date	06/30/2022

**RIDGEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
2022-2023 CAPITAL LEASE - COMPUTER EQUIPMENT
FROM INCEPTION THROUGH 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 Lease Proceeds		\$ 940,000	\$ 940,000	\$ 940,000
Interest	-	160	\$ 160	160
	<u>-</u>	<u>940,160</u>	<u>940,160</u>	<u>940,160</u>
Total Revenues	-	940,160	940,160	940,160
EXPENDITURES AND OTHER FINANCING SOURCES				
Professional Services		79,048	79,048	79,048
Supplies and Materials	-	846,208	846,208	855,018
Equipment	-	6,094	6,094	6,094
	<u>-</u>	<u>931,350</u>	<u>931,350</u>	<u>940,160</u>
Total Expenditures and other Financing Sources	-	931,350	931,350	940,160
Excess of Revenues over Expenditures	\$ -	\$ 8,810	\$ 8,810	\$ -

Additional Project Information:

NJ DOE Project Number	N/A
SDA Project Number	N/A
Grant Number	N/A
Grant Notification Date	N/A
Grant Amount	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 940,000
Additional Authorized Cost	\$ 160
Revised Authorized Cost	\$ 940,160

Percentage Increase (Decrease) over Original Authorized

Cost	0.02%
Percentage Completion	99.06%
Original Target Completion Date	06/30/2023
Revised Target Completion Date	06/30/2023

PROPRIETARY FUND

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

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

93

<u>Issue</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>Retired</u>	<u>Balance June 30, 2023</u>
Additions and Renovations to Various Schools (Refunded 2003 Bonds Maturing 2/15/2016 to 2/15/2028)	June 1, 2011	\$ 3,475,000	2/15/24-2/15/27	\$ 235,000	4.00%			
			2/15/28	230,000	4.00%	\$ 1,400,000	\$ 230,000	\$ 1,170,000
School Refunding Bonds	November 1, 2016	32,860,000	3/15/24	1,780,000	4.00%			
			3/15/25	1,860,000	4.00%			
			3/15/26	1,975,000	4.00%			
			3/15/27	2,050,000	4.00%			
			3/15/28	2,175,000	4.00%			
			3/15/29	2,275,000	4.00%			
			3/15/30	2,370,000	4.00%			
			3/15/31	2,465,000	4.00%			
			3/15/32	2,610,000	4.00%			
			3/15/33	2,755,000	4.00%			
			3/15/34	2,745,000	4.00%			
	3/15/35	2,735,000	3.00%		29,475,000	1,680,000	27,795,000	

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

94

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2022</u>	<u>Retired</u>	<u>Balance June 30, 2023</u>
Energy Savings Improvement Bonds	November 1, 2016	\$ 6,660,000	11/15/23	\$ 210,000	3.00%			
			11/15/24	225,000	3.00%			
			11/15/25	240,000	3.00%			
			11/15/26	255,000	3.00%			
			11/15/27	270,000	3.00%			
			11/15/28	290,000	4.00%			
			11/15/29	310,000	4.00%			
			11/15/30	330,000	3.00%			
			11/15/31	355,000	4.00%			
			11/15/32	380,000	4.00%			
			11/15/33	405,000	4.00%			
			11/15/34	430,000	4.00%			
			11/15/35	460,000	4.00%	\$ 4,465,000	\$ 305,000	\$ 4,160,000
						<u>\$ 35,340,000</u>	<u>\$ 2,215,000</u>	<u>\$ 33,125,000</u>
							Paid by General Fund \$ 305,000	
							Paid by Debt Service Fund <u>1,910,000</u>	
							<u>\$ 2,215,000</u>	

**RIDGEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
CAPITAL LEASES AND LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Purpose</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</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>						
Technology Equipment - 2018-2019	2.8970%	\$ 900,000	\$ 185,972		\$ 185,972	-
Technology Equipment - 2019-2020	2.0619%	940,000	382,132		189,116	\$ 193,016
Technology Equipment - 2020-2021	1.0190%	940,000	566,006		186,144	379,862
Technology Equipment - 2021-2022	1.0190%	940,000	748,858		184,377	564,481
Technology Equipment - 2022-2023	3.2300%	940,000	-	\$ 940,000	194,031	745,969
48 Konica Digital Copier	4.2270%	541,878	<u>314,850</u>	<u>-</u>	<u>111,020</u>	<u>203,830</u>
			2,197,818	940,000	1,050,660	2,087,158
<u>Lease Payable</u>						
30-38 Oak Street Lease	2.5000%	202,128	<u>171,553</u>	<u>-</u>	<u>38,236</u>	<u>133,317</u>
			<u>\$ 2,369,371</u>	<u>\$ 940,000</u>	<u>\$ 1,088,896</u>	<u>\$ 2,220,475</u>

**RIDGEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments/ Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Local Taxes	\$ 3,441,293		\$ 3,441,293	\$ 3,441,293	
State Sources					
State Aid Type II	<u>133,782</u>	<u>-</u>	<u>133,782</u>	<u>133,782</u>	<u>-</u>
Total Revenues	<u>3,575,075</u>	<u>-</u>	<u>3,575,075</u>	<u>3,575,075</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal on Bonds	2,215,000	-	2,215,000	1,910,000	\$ 305,000
Interest on Bonds	<u>1,360,075</u>	<u>-</u>	<u>1,360,075</u>	<u>1,205,925</u>	<u>154,150</u>
Total Expenditures	<u>3,575,075</u>	<u>-</u>	<u>3,575,075</u>	<u>3,115,925</u>	<u>459,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	459,150	459,150
Fund Balance, Beginning of Year	<u>455,150</u>	<u>-</u>	<u>-</u>	<u>455,150</u>	<u>455,150</u>
Fund Balance, End of Year	<u>\$ 455,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 914,300</u>	<u>\$ 914,300</u>

STATISTICAL SECTION

This part of the Ridgewood 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 government's financial performance and well-being have changed over time.

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2014 (Restated)	2015	2016	2017	2018	2019 (Restated)	2020 (Restated)	2021 (Restated)	2022	2023
Governmental Activities										
Net Investment in Capital Assets	\$ 46,434,486	\$ 47,460,901	\$ 50,296,485	\$ 48,026,214	\$ 52,024,622	\$ 53,460,402	\$ 54,281,797	\$ 54,875,869	\$ 55,088,671	\$ 54,786,232
Restricted	5,271,884	4,818,989	2,446,640	6,721,461	3,154,358	3,367,381	7,448,522	8,869,817	12,719,771	22,384,072
Unrestricted (Deficit)	479,002	(21,862,874)	(18,159,172)	(18,984,086)	(19,296,734)	(17,463,586)	(16,121,838)	(12,268,824)	(5,587,234)	(7,657,813)
Total Governmental Activities Net Position	\$ 52,185,372	\$ 30,417,016	\$ 34,583,953	\$ 35,763,589	\$ 35,882,246	\$ 39,364,197	\$ 45,608,481	\$ 51,476,862	\$ 62,221,208	\$ 69,512,491
Business-Type Activities										
Net Investment in Capital Assets	\$ 182,963	\$ 165,869	\$ 157,906	\$ 161,011	\$ 168,572	\$ 155,576	\$ 165,766	\$ 127,413	\$ 167,922	\$ 304,616
Unrestricted (Deficit)	(177,875)	(127,338)	(52,385)	(75,778)	169,197	140,996	208,728	(250,328)	432,130	957,674
Total Business-Type Activities Net Position	\$ 5,088	\$ 38,531	\$ 105,521	\$ 85,233	\$ 337,769	\$ 296,572	\$ 374,494	\$ (122,915)	\$ 600,052	\$ 1,262,290
District-Wide										
Net Investment in Capital Assets	\$ 46,617,449	\$ 47,626,770	\$ 50,454,391	\$ 48,187,225	\$ 52,193,194	\$ 53,615,978	\$ 54,447,563	\$ 55,003,282	\$ 55,256,593	\$ 55,090,848
Restricted	5,271,884	4,818,989	2,446,640	6,721,461	3,154,358	3,367,381	7,448,522	8,869,817	12,719,771	22,384,072
Unrestricted (Deficit)	301,127	(21,990,212)	(18,211,557)	(19,059,864)	(19,127,537)	(17,322,590)	(15,913,110)	(12,519,152)	(5,155,104)	(6,700,139)
Total District Net Position	\$ 52,190,460	\$ 30,455,547	\$ 34,689,474	\$ 35,848,822	\$ 36,220,015	\$ 39,660,769	\$ 45,982,975	\$ 51,353,947	\$ 62,821,260	\$ 70,774,781

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

Note 2 - Net position at June 30, 2019 is restated to reflect the reclassification of expenditures/expenses between the Governmental and Business Type Activities.

Note 3 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities"

Note 4 - Net Position at June 30, 2021 is restated to reflect the implementation of GASB Statement No. 87, "Leases"

RIDGEWOOD 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	
						(Restated)					
Expenses											
Governmental Activities											
Instruction											
Regular	\$ 42,268,110	\$ 49,809,263	\$ 52,476,438	\$ 59,694,002	\$ 60,234,080	\$ 55,317,248	\$ 54,161,384	\$ 60,024,888	\$ 51,831,793	\$ 52,030,247	
Special Education	10,365,003	12,214,247	20,423,801	22,405,915	22,237,366	21,481,554	21,180,542	22,136,941	19,721,497	20,855,122	
Other Special Instruction	1,917,159	2,259,204									
Other Instruction	2,209,523	3,249,504	4,078,298	4,593,792	5,307,856	4,931,423	4,262,453	4,057,750	4,196,910	3,943,612	
School Sponsored Activities and Athletics			1,560,774	1,761,876	1,718,793	1,672,880	2,033,520	2,468,142	2,497,556	2,987,978	
Support Services:											
Tuition	6,400,731	6,896,926									
Student and Instruction Related Services	17,168,297	20,121,714	19,624,092	21,377,496	21,458,596	20,863,948	21,296,956	22,926,003	21,786,137	21,249,378	
School Administrative Services	5,124,205	5,956,806	5,921,747	6,433,802	6,405,997	6,103,999	5,932,010	6,340,651	5,483,087	5,373,785	
General Administration Services	1,030,247	992,004	1,105,974	1,431,937	1,361,502	1,188,610	1,260,916	1,404,133	1,214,503	1,449,876	
Central Services	1,647,350	1,802,578	1,500,900	1,678,752	1,539,412	1,634,597	1,707,813	1,771,767	1,571,218	1,779,914	
Administration Information Technology	893,325	1,148,311	1,148,506	1,444,498	1,147,762	1,069,133	1,166,129	1,184,993	1,488,798	1,273,465	
Plant Operations And Maintenance	8,829,531	9,002,078	8,907,317	9,519,429	12,395,800	12,613,773	12,552,287	13,051,420	13,464,667	14,159,590	
Pupil Transportation	3,096,229	3,214,020	3,420,974	3,390,261	3,707,638	3,455,619	3,150,196	2,898,396	3,458,189	4,798,481	
Special Schools	1,010,334	763,467									
Interest On Long-Term Debt	2,136,514	1,786,823	1,811,652	1,561,651	1,400,202	1,544,586	1,503,626	1,451,652	1,390,339	1,333,672	
Unallocated Depreciation									-	-	
Total Governmental Activities Expenses	104,096,558	119,216,945	121,980,473	135,293,411	138,915,004	131,877,370	130,207,832	139,716,736	128,104,694	131,235,120	
Business-Type Activities:											
Food Service	1,467,124	1,491,101	1,643,143	1,845,060	1,969,904	2,073,207	1,872,969	356,127	2,470,754	3,029,748	
Infant/Toddler Development Program	716,747	952,967	1,005,800	1,054,794	933,221	1,315,770	1,191,263	977,939	1,032,357	1,129,795	
Technology Initiative			58,239	85,159	89,063	67,522	177,570	88,505	58,131	14,957	
Inclusive Preschool				14,140	30,834	-	-	-	-	-	
Total Business-Type Activities Expense	2,183,871	2,444,068	2,707,182	2,999,153	3,023,022	3,456,499	3,241,802	1,422,571	3,561,242	4,174,500	
Total District Expenses	\$ 106,280,429	\$ 121,661,013	\$ 124,687,655	\$ 138,292,564	\$ 141,938,026	\$ 135,333,869	\$ 133,449,634	\$ 141,139,307	\$ 131,665,936	\$ 135,409,620	
Program Revenues											
Governmental Activities:											
Charges for Services	\$ 879,643	\$ 689,432	\$ 390,244	\$ 1,541,938	\$ 1,570,131	\$ 2,736,701	\$ 2,743,299	\$ 1,121,858	\$ 2,152,436	\$ 2,884,244	
Operating Grants and Contributions	1,730,518	1,999,970	28,730,584	39,130,298	40,845,805	33,160,633	30,227,961	42,155,692	30,863,417	27,930,954	
Capital Grants And Contributions	177,260	1,815,883	10,828	-	11,027	64,121	77,300	-	885,378	281,325	
Total Governmental Activities Program Revenues	2,787,421	4,505,285	29,131,656	40,672,236	42,426,963	35,961,455	33,048,560	43,277,550	33,901,231	31,096,523	
Business-Type Activities:											
Charges For Services											
Food Service	1,395,639	1,537,697	1,678,546	1,883,039	2,013,836	2,150,930	1,915,025	16,573	2,733,621	3,214,497	
Infant/Toddler Development Program	853,846	939,697	1,012,840	989,001	1,090,435	1,181,341	806,137	813,726	1,454,886	1,527,234	
Technology Initiative			96,600	97,890	94,927	98,625	95,950	94,150	94,535	89,465	
Inclusive Preschool				8,700	55,000	1,620	1,620	795	795	1,005	
Operating Grants And Contributions	2,124										
Total Business Type Activities Program Revenues	2,251,609	2,477,394	2,787,986	2,978,630	3,254,198	3,430,896	2,818,732	924,449	4,283,837	4,832,201	
Total District Program Revenues	\$ 5,039,030	\$ 6,982,679	\$ 31,919,642	\$ 43,650,866	\$ 45,681,161	\$ 39,392,351	\$ 35,867,292	\$ 44,201,999	\$ 38,185,068	\$ 35,928,724	

RIDGEWOOD 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 (Restated)	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental Activities	\$ (101,309,137)	\$ (114,711,660)	\$ (92,848,817)	\$ (94,621,175)	\$ (96,488,041)	\$ (95,915,915)	\$ (97,159,272)	\$ (96,439,186)	\$ (94,203,463)	\$ (100,138,597)
Business-Type Activities	67,738	33,326	80,804	(20,523)	231,176	(25,603)	(423,070)	(498,122)	722,595	657,701
Total District-Wide Net Expense	<u>\$ (101,241,399)</u>	<u>\$ (114,678,334)</u>	<u>\$ (92,768,013)</u>	<u>\$ (94,641,698)</u>	<u>\$ (96,256,865)</u>	<u>\$ (95,941,518)</u>	<u>\$ (97,582,342)</u>	<u>\$ (96,937,308)</u>	<u>\$ (93,480,868)</u>	<u>\$ (99,480,896)</u>
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	\$ 84,608,635	\$ 86,223,037	\$ 87,947,497	\$ 90,636,248	\$ 91,519,173	\$ 94,279,356	\$ 96,014,943	\$ 97,305,242	\$ 99,241,616	\$ 101,198,061
Debt Service	3,239,342	3,214,082	3,313,073	3,323,724	3,265,783	3,164,901	2,869,732	3,017,677	3,459,251	3,441,293
State Aid Restricted					417,813	409,204	134,178	135,122	79,354	82,006
Unrestricted Grants And Contributions	12,345,398	23,699,314	436,954	440,918	55,859	4,556			-	-
Investment Earnings	13,687	13,391	32,868	18,164	27,426	126,118	165,977	67,503	1,567	16,114
Miscellaneous	1,510,467	1,282,353	1,820,195	1,381,757	1,341,503	741,427	629,114	1,541,118	2,166,021	2,692,406
Transfers						18,726	(497,672)		-	-
Special Items	105,000				(20,859)	653,578	896,029	1,010,943	-	-
Total Governmental Activities	<u>101,822,529</u>	<u>114,432,177</u>	<u>93,550,587</u>	<u>95,800,811</u>	<u>96,606,698</u>	<u>99,397,866</u>	<u>100,212,301</u>	<u>103,077,605</u>	<u>104,947,809</u>	<u>107,429,880</u>
Business-Type Activities:										
Investment Earnings	96	117	254	235	501	3,132	3,320	713	372	4,537
Transfers In/(Out)					20,859	(18,726)	497,672	-	-	-
Total Business-Type Activities	<u>96</u>	<u>117</u>	<u>254</u>	<u>235</u>	<u>21,360</u>	<u>(15,594)</u>	<u>500,992</u>	<u>713</u>	<u>372</u>	<u>4,537</u>
Total District-Wide	<u>\$ 101,822,625</u>	<u>\$ 114,432,294</u>	<u>\$ 93,550,841</u>	<u>\$ 95,801,046</u>	<u>\$ 96,628,058</u>	<u>\$ 99,382,272</u>	<u>\$ 100,713,293</u>	<u>\$ 103,078,318</u>	<u>\$ 104,948,181</u>	<u>\$ 107,434,417</u>
Change In Net Position										
Governmental Activities	\$ 513,392	\$ (279,483)	\$ 701,770	\$ 1,179,636	\$ 118,657	\$ 3,481,951	\$ 3,053,029	\$ 6,638,419	\$ 10,744,346	\$ 7,291,283
Business-Type Activities	67,834	33,443	81,058	(20,288)	252,536	(41,197)	77,922	(497,409)	722,967	662,238
Total District	<u>\$ 581,226</u>	<u>\$ (246,040)</u>	<u>\$ 782,828</u>	<u>\$ 1,159,348</u>	<u>\$ 371,193</u>	<u>\$ 3,440,754</u>	<u>\$ 3,130,951</u>	<u>\$ 6,141,010</u>	<u>\$ 11,467,313</u>	<u>\$ 7,953,521</u>

Note 1 - The Changes in Net Position for the fiscal year ended June 30, 2019 is restated to reflect the reclassification of expenditures/expenses between the Governmental and Business-Type Activities.

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019 (Restated)	2020 (Restated)	2021	2022	2023
General Fund										
Restricted	\$ 5,271,884	\$ 4,818,989	\$ 4,390,327	\$ 4,637,415	\$ 4,466,451	\$ 5,244,057	\$ 6,294,744	\$ 7,580,797	\$13,868,267	\$ 24,715,960
Committed			936,100	208,900	290,930	137,166	118,451			
Assigned	201,232	57,326	1,532,412	1,349,639	298,823	439,418	867,924	1,045,747	2,924,057	372,062
Unassigned	2,121,012	1,757,257	359,127	459,218	472,835	437,229	207,260	2,236,960	2,184,312	(1,149,158)
Total General Fund	<u>\$ 7,594,128</u>	<u>\$ 6,633,572</u>	<u>\$ 7,217,966</u>	<u>\$ 6,655,172</u>	<u>\$ 5,529,039</u>	<u>\$ 6,257,870</u>	<u>\$ 7,488,379</u>	<u>\$ 10,863,504</u>	<u>\$18,976,636</u>	<u>\$ 23,938,864</u>
All Other Governmental Funds										
Reserved										
Unreserved										
Restricted	\$ 238,428	\$ 217,185	\$ 1,354,153	\$ 4,898,207	\$ 1,082,373	\$ 173,324	\$ 3,003,778	\$ 3,581,540	\$ 3,487,552	\$ 4,013,832
Committed										
Assigned	997,506	980,585								
Unassigned										
Total All Other Governmental Funds	<u>\$ 1,235,934</u>	<u>\$ 1,197,770</u>	<u>\$ 1,354,153</u>	<u>\$ 4,898,207</u>	<u>\$ 1,082,373</u>	<u>\$ 173,324</u>	<u>\$ 3,003,778</u>	<u>\$ 3,581,540</u>	<u>\$ 3,487,552</u>	<u>\$ 4,013,832</u>

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

RIDGEWOOD 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	\$ 87,847,977	\$ 89,437,119	\$ 91,260,570	\$ 93,959,972	\$ 94,784,956	\$ 97,444,257	\$ 98,884,675	\$ 100,322,919	\$ 102,700,867	\$ 104,639,354
Tuition	879,643	689,432	1,188,229	1,541,938	1,570,131	2,123,032	2,124,331	850,131	1,795,021	2,458,169
Interest Earnings	13,687	13,391								
Miscellaneous	3,124,804	2,142,073	1,620,019	1,954,998	2,187,119	2,064,730	1,892,764	3,186,228	4,207,680	5,125,473
State Sources	12,311,320	13,924,734	13,657,818	16,704,906	18,790,535	21,897,041	22,933,441	27,256,070	34,993,847	35,967,387
Federal Sources	1,297,519	1,256,141	1,377,359	1,294,706	1,277,600	1,325,257	1,343,026	1,945,404	2,303,695	2,234,068
Total Revenue	105,474,950	107,462,890	109,103,995	115,456,520	118,610,341	124,854,317	127,178,237	133,560,752	146,001,110	150,424,451
Expenditures										
Instruction										
Regular Instruction	31,968,923	32,726,271	41,966,925	44,795,853	47,820,687	49,267,272	50,279,813	53,362,847	56,838,514	59,321,785
Special Education Instruction	7,462,101	7,638,879	18,151,458	19,168,515	19,722,511	20,291,108	20,456,406	20,582,032	21,087,636	22,910,147
Other Special Instruction	1,417,159	1,450,732								
Other Instruction	1,709,523	1,750,022	3,510,599	3,749,114	4,063,010	4,441,746	4,046,251	3,631,094	4,598,172	4,471,135
School Sponsored Activities and Athletics			1,609,224	1,700,797	1,675,626	1,683,110	1,988,216	2,427,673	2,624,018	3,163,101
Support Services:										
Tuition	6,400,731	6,896,926								
Student & Inst. Related Services	13,209,750	13,762,418	17,516,888	18,128,037	18,892,425	19,586,562	20,676,504	21,220,539	23,394,459	23,636,596
School Administration Services	896,078	812,902	4,967,525	5,175,251	5,295,387	5,405,831	5,493,359	5,588,874	5,903,488	6,017,644
General Administration Services	3,734,917	3,769,146	1,059,126	1,404,735	1,128,302	1,191,911	1,280,374	1,391,004	1,245,957	1,501,737
Central Services	1,246,810	1,182,702	1,494,132	1,625,937	1,496,184	1,645,760	1,767,869	1,723,209	1,680,803	1,977,042
Administrative Information Technology Services	679,276	774,375	1,142,986	1,301,853	1,115,710	1,076,304	1,206,649	1,154,290	1,563,388	1,399,143
Plant Operations And Maintenance	8,345,568	8,409,424	8,574,472	9,477,746	9,435,958	9,642,962	9,514,239	9,628,376	10,227,688	10,626,106
Pupil Transportation	2,939,264	3,020,649	3,301,115	3,352,012	3,703,386	3,456,768	3,155,266	2,895,331	3,467,745	4,811,204
Employee Benefits	18,215,072	19,683,350								
Special Schools	1,010,334	841,165								
Capital Outlay	2,266,611	3,461,864	1,317,861	6,740,799	5,163,118	1,547,590	1,801,809	1,949,512	2,086,089	1,326,777
Debt Service:										
Principal	1,755,000	1,975,000	3,019,821	3,394,979	3,339,836	4,098,633	3,426,623	3,424,025	3,220,258	3,303,896
Interest And Other Charges	2,004,717	1,745,785	1,726,086	1,425,961	1,579,309	1,717,704	1,657,479	1,569,059	1,492,495	1,409,630
Total Expenditures	105,261,834	109,901,610	109,358,218	121,441,589	124,431,449	125,053,261	126,750,857	130,547,865	139,430,710	145,875,943
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	213,116	(2,438,720)	(254,223)	(5,985,069)	(5,821,108)	(198,944)	427,380	3,012,887	6,570,400	4,548,508
Other Financing Sources (Uses)										
Proceeds from Borrowing				6,660,000						
Premium (Discount) on Bonds	(31,800)			1,037,360						
Capital Leases (Non-Budgeted)	975,000	1,440,000	995,000	1,578,969	900,000		940,000	940,000	940,000	940,000
Leases Payable									202,128	-
Insurance Proceeds									306,616	-
Proceeds from Refunding	5,300,000			32,860,000						
Payments to Refunded Bond Escrow Agent	(5,206,728)			(33,170,000)						
Special Item	105,000									
Transfers In		651,330		315,000	98,256	159,524	1,408,884			-
Transfers Out		(651,330)		(315,000)	(119,115)	(140,798)	(1,906,556)			-
Total Other Financing Sources (Uses)	1,141,472	1,440,000	995,000	8,966,329	879,141	18,726	442,328	940,000	1,448,744	940,000
Net Change In Fund Balances	\$ 1,354,588	\$ (998,720)	\$ 740,777	\$ 2,981,260	\$ (4,941,967)	\$ (180,218)	\$ 869,708	\$ 3,952,887	\$ 8,019,144	\$ 5,488,508
Debt Service As A Percentage Of										
Noncapital Expenditures	3.65%	3.50%	4.39%	4.20%	4.12%	4.71%	4.07%	3.88%	3.43%	3.26%

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

<u>Fiscal Year Ended June 30,</u>	<u>Rentals</u>	<u>Transportation</u>	<u>Reimbursements/ Refunds</u>	<u>Miscellaneous Restricted</u>	<u>Miscellaneous Unrestricted</u>	<u>Summer School Tuition and Fees</u>	<u>Other Special School Fees</u>	<u>Student Activity Fees</u>	<u>Interest</u>	<u>Total</u>
2014	409,329	32,749		289,969	374,403	56,625	879,643	361,079		2,403,797
2015	282,355	22,750		521,180	59,698	100,940	689,432	308,821	\$ 13,391	1,998,567
2016	329,492	58,413			278,441	38,575	797,985	258,817	32,868	1,794,591
2017	386,446	144,251	\$ 160,391		381,187	34,655		273,551	18,164	1,398,645
2018	407,209		261,231		319,600	65,865		287,598	25,361	1,366,864
2019	247,891	2,673	77,874		723,013			303,645	121,941	1,477,037
2020	301,833		77,117		532,626	73,300		263,206	156,452	1,404,534
2021	271,727		507,636		821,384			211,680	67,503	1,879,930
2022	341,936		45,384	376,938	178,198		1,313,525	251,976	1,408	2,509,365
2023	369,520		30,732	257,399	1,212,379	241,765	393,325	274,951	284,835	3,064,906

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	17,989,100	5,122,760,900	504,096,500	88,306,400	5,733,152,900		5,733,152,900	6,022,176,495	1.560
2015	18,991,800	5,138,526,500	504,214,500	88,306,400	5,750,039,200		5,750,039,200	6,224,840,527	1.590
2016	16,723,800	5,163,336,500	506,142,200	88,156,400	5,774,358,900		5,774,358,900	6,404,608,448	1.592
2017	20,509,500	5,176,844,900	503,089,400	87,624,700	5,788,068,500		5,788,068,500	6,461,282,869	1.654
2018	17,793,600	5,198,029,600	505,395,700	87,624,700	5,808,843,600		5,808,843,600	6,651,451,246	1.678
2019	26,605,500	5,215,426,000	492,242,000	87,624,700	5,821,898,200		5,821,898,200	6,810,324,473	1.699
2020	24,532,000	5,214,285,800	493,934,100	87,624,700	5,820,376,600		5,820,376,600	6,741,842,545	1.724
2021	20,276,800	5,215,465,600	492,469,300	97,837,900	5,826,049,600		5,826,049,600	6,788,081,183	1.763
2022	14,568,000	5,218,453,800	477,567,700	159,646,100	5,870,235,600		5,870,235,600	6,963,795,187	1.782
2023	10,688,900	5,262,921,300	479,847,100	159,646,100	5,913,103,400		5,913,103,400	7,817,186,484	1.789

Source: County Abstract of Ratables

^a Tax rates are per \$100

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

Assessment Year	Basic Rate	General Obligation Debt Services	Total District School	Overlapping Rates		Total Direct and Overlapping Tax Rate
				Village of Ridgewood	County of Bergen	
2014	1.518	0.042	1.560	0.540	0.243	2.343
2015	1.554	0.036	1.590	0.545	0.257	2.392
2016	1.534	0.058	1.592	0.551	0.269	2.412
2017	1.601	0.053	1.654	0.560	0.270	2.484
2018	1.616	0.062	1.678	0.608	0.279	2.565
2019	1.649	0.050	1.699	0.615	0.283	2.597
2020	1.672	0.052	1.724	0.626	0.287	2.637
2021	1.713	0.050	1.763	0.652	0.293	2.708
2022	1.723	0.059	1.782	0.621	0.274	2.677
2023	1.745	0.044	1.789	0.698	0.317	2.804

Source: The Village Tax Duplicate

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

105

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% Total of District Net Assessed Value
Brogan Co % Ridgewood Dayton LLC	\$ 26,719,000	0.46%		
1200 East Ridgewood LLC% Cushman/Wake	23,000,000	0.39%		
Smith, Ken % KS Broad/Onys Mgmt	17,916,100	0.31%		
Chestnut Village LLC	13,886,300	0.24%	N/A	
257 Ridgewood Avenue LLC	13,500,000	0.23%		
MILRIDGE REALTY, LLC	10,250,700	0.17%		
SL OAK MANOR OWNER LLC %601 W ASSOC	9,705,700	0.17%		
Ridgewood Mayflower Rlty % Kriegman & Mit	8,700,600	0.15%		
Chestnut VD Holdings LLC	8,399,700	0.14%		
Cameron Apartments	8,167,200	0.14%		
Total	<u>\$ 140,245,300</u>	<u>2.39%</u>	<u>-</u>	<u>0.00%</u>

Source: Municipal Tax Assessor

**RIDGEWOOD 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	\$ 87,847,977	\$ 87,847,977	100.00%	N/A
2015	89,437,119	89,437,119	100.00%	N/A
2016	91,260,570	91,260,570	100.00%	N/A
2017	93,959,972	93,959,972	100.00%	N/A
2018	94,784,956	94,784,956	100.00%	N/A
2019	97,444,257	97,444,257	100.00%	N/A
2020	98,884,675	98,884,675	100.00%	N/A
2021	100,322,919	100,322,919	100.00%	N/A
2022	102,700,867	102,700,867	100.00%	N/A
2023	104,639,354	104,639,354	100.00%	N/A

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements/Lease Payable			
2014	\$ 47,230,000	\$ 2,720,676	\$ 49,950,676	25,209	1,981
2015	45,255,000	3,137,662	48,392,662	25,284	1,914
2016	43,200,000	3,167,841	46,367,841	25,238	1,837
2017	47,275,000	3,626,831	50,901,831	25,258	2,015
2018	45,120,000	3,341,995	48,461,995	25,165	1,926
2019	42,200,000	2,163,362	44,363,362	25,056	1,771
2020	39,845,000	2,031,739	41,876,739	24,915	1,681
2021	37,495,000	1,897,714	39,392,714	26,202	1,503
2022	35,340,000	2,369,371	37,709,371	26,168	1,441
2023	33,125,000	2,220,475	35,345,475	26,168 (A)	1,351

Source: District records

(A) -Estimated

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2014	\$ 47,230,000		\$ 47,230,000	0.82%	1,874
2015	45,255,000		45,255,000	0.79%	1,790
2016	43,200,000		43,200,000	0.75%	1,712
2017	47,275,000	\$ 111,032	47,163,968	0.81%	1,867
2018	45,120,000	111,031	45,008,969	0.77%	1,789
2019	42,200,000	134,641	42,065,359	0.72%	1,679
2020	39,845,000	1	39,844,999	0.68%	1,599
2021	37,495,000		37,495,000	0.64%	1,431
2022	35,340,000	455,150	34,884,850	0.59%	1,333
2023	33,125,000	914,300	32,210,700	0.54%	1,231

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

**RIDGEWOOD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
FOR YEAR ENDED DECEMBER 31, 2022
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
MUNICIPAL DEBT: (1)			
School Purposes	\$ 35,035,000	\$ 35,035,000	
Local Utilities	73,533,907	73,533,907	
Municipal Purposes	<u>68,684,244</u>	<u>883,759</u>	\$ <u>67,800,485</u>
	<u>\$ 177,253,151</u>	<u>\$ 109,452,666</u>	<u>67,800,485</u>
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
Bergen County			
County of Bergen (A)			53,977,029
Northwest Bergen County Utilities Authority (B)			<u>82,711</u>
			<u>54,059,740</u>
Total Direct and Overlapping Bonded Debt			<u>\$ 121,860,225</u>

SOURCE:

(1) Village of Ridgewood 2022 Annual Debt Statement

(A) The debt information for this entity was obtained from the Bergen County Treasurer's office and was apportioned to the Village of Ridgewood by dividing the municipality's 2022 equalized value by the total 2022 equalized value for Bergen County.

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

Source: Village of Ridgewood Chief Financial Officer and Bergen County Treasurer's Office.

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

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis
	2022 \$ 7,749,485,941
	2021 \$ 6,900,449,603
	2020 6,770,241,480
	<u>\$21,420,177,024</u>
Average Equalized Valuation of Taxable Property	<u>\$ 7,140,059,008</u>
Debt Limit	\$ 285,602,360
Total Net Debt Applicable to Limit	<u>33,125,000</u>
Legal debt margin	<u>\$ 252,477,360</u>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 200,299,151	\$ 199,955,909	\$ 247,500,182	\$ 253,282,184	\$ 258,897,167	\$ 264,461,941	\$ 268,429,030	\$ 270,479,613	\$ 272,036,877	\$ 285,602,360
Total Net Debt Applicable to Limit	<u>47,230,000</u>	<u>45,255,000</u>	<u>43,200,000</u>	<u>47,275,000</u>	<u>45,120,000</u>	<u>42,200,000</u>	<u>39,845,000</u>	<u>37,495,000</u>	<u>35,340,000</u>	<u>33,125,000</u>
Legal Debt Margin	<u>\$ 153,069,151</u>	<u>\$ 154,700,909</u>	<u>\$ 204,300,182</u>	<u>\$ 206,007,184</u>	<u>\$ 213,777,167</u>	<u>\$ 222,261,941</u>	<u>\$ 228,584,030</u>	<u>\$ 232,984,613</u>	<u>\$ 236,696,877</u>	<u>\$ 252,477,360</u>
Total net debt applicable to the limit as a percentage of debt limit	23.58%	22.63%	17.45%	18.66%	17.43%	15.96%	14.84%	13.86%	12.99%	11.60%

Source: Annual Debt Statements

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

<u>Year Ended December 31,</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	25,209	\$ 73,883	4.0%
2015	25,284	77,323	5.3%
2016	25,238	78,836	3.2%
2017	25,258	81,024	3.1%
2018	25,165	85,191	2.5%
2019	25,056	88,241	2.1%
2020	24,915	91,972	6.3%
2021	26,202	97,343	4.6%
2022	26,168	97,343 (A)	2.4%
2023	26,168 (A)	97,343 (A)	N/A

(A) - Estimated

N/A - Not Available

Source: New Jersey State Department of Education

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	341	344	350	352	352	353	353	353	359	354
Special education	89	82	73	77	77	78	79	79	90	93
Other special education - suppl/mainstreaming	95	101	102	101	102	102	102	102	110	116
Other Instruction										21
Support Services:										
Student & instruction related services	95	114	95	108	108	108	108	108	112	156
General administration	2	2	2	2	2	2	2	2	4	2
School administrative services	44	40	40	35	35	35	35	35	43	33
Central services	15	14	14	13	13	13	13	13	15	14
Administrative Information Technology	7	11	11	10	10	10	10	10	14	9
Plant operations and maintenance	3	2	2	3	3	3	3	2	2	2
Pupil Transportation	1	1	1	1	1	1	1	1	1	1
Special Schools	2	2	2	2	2	2	2	2	2	2
Infant/Toddler Development Center	33	33	33	33	33	33	33	31	34	26
Total	<u>727</u>	<u>746</u>	<u>725</u>	<u>737</u>	<u>738</u>	<u>740</u>	<u>741</u>	<u>738</u>	<u>786</u>	<u>829</u>

Source: District Personnel Records

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

Pupil/Teacher Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle School	Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	5,743	99,235,506	17,279	1.83%	430.10	13.6	12.6	11.1	5,717	5,517.9	-0.59%	96.52%
2015	5,650	102,718,961	18,180	5.21%	426.00	15.5	15.9	15.0	5,650	5,463.0	-1.17%	96.69%
2016	5,655	103,293,950	18,266	0.47%	423.00	13.6	13.2	10.3	5,655	5,478.0	0.09%	96.87%
2017	5,678	109,577,063	19,299	5.65%	426.00	13.8	13.0	13.3	5,659	5,473.0	0.07%	96.71%
2018	5,691	114,349,186	20,093	4.12%	429.00	13.8	13.0	13.3	5,664	5,451.2	0.09%	96.24%
2019	5,676	117,109,630	20,632	2.68%	431.00	13.6	13.0	13.3	5,652	5,449.0	-0.21%	96.41%
2020	5,699	119,864,946	21,033	1.94%	431.00	13.5	13.0	13.6	5,694	5,546.0	0.74%	97.40%
2021	5,582	123,605,269	22,144	5.28%	431.00	13.6	13.0	13.7	5,545	5,447.0	-2.62%	98.23%
2022	5,630	132,631,868	23,558	6.39%	449.00	13.6	13.0	13.7	5,577	5,335.0	0.58%	95.66%
2023	5,544	132,631,868	23,923	1.55%	449.00	13.6	13.0	13.7	5,504	5,264.7	-1.31%	95.65%

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.

RIDGEWOOD 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>										
<u>Glen (1959)</u>										
Square Feet	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300
Capacity (students)	N/A									
Enrollment	42	42	42	42	48	66	67	110	71	99
<u>Hawes (1966)</u>										
Square Feet	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765
Capacity (students)	N/A									
Enrollment	407	407	407	423	408	419	408	369	393	369
<u>Orchard (1966)</u>										
Square Feet	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133
Capacity (students)	N/A									
Enrollment	333	333	333	316	308	292	308	321	299	321
<u>Ridge (1960)</u>										
Square Feet	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800
Capacity (students)	N/A									
Enrollment	514	514	514	432	442	447	463	447	443	446
<u>Somerville (1950)</u>										
Square Feet	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Capacity (students)	N/A									
Enrollment	517	517	517	411	416	430	421	375	348	375
<u>Travel (1966)</u>										
Square Feet	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800
Capacity (students)	N/A									
Enrollment	365	365	365	385	389	394	390	353	377	353
<u>Willard (1926)</u>										
Square Feet	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500
Capacity (students)	N/A									
Enrollment	500	500	500	496	491	488	496	485	461	485
<u>Middle School</u>										
<u>Benjamin Franklin (1954)</u>										
Square Feet	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400
Capacity (students)	N/A									
Enrollment	738	738	738	711	713	686	681	703	698	703
<u>George Washington (1928)</u>										
Square Feet	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600
Capacity (students)	N/A									
Enrollment	652	652	652	732	712	706	676	629	667	629

**RIDGEWOOD 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>High School</u>										
<u>Ridgewood High School</u>										
Square Feet	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286
Capacity (students)	N/A									
Enrollment	1,684	1,684	1,684	1,684	1,730	1,746	1,789	1,790	1,774	1,778
<u>Other</u>										
Central Administration (1895)										
Square Feet	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640

Number of Schools at June 30, 2022
 Elementary = 7
 Middle School = 2
 Senior High School = 1
 Other = 1

Source: District Facilities Office

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

N/A - Information is not available

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
*School Facilities										
Ridgewood High School	\$ 355,471	\$ 346,196	\$ 351,787	\$ 493,690	\$ 477,170	\$ 391,537	\$ 286,977	\$ 534,539	\$ 444,186	\$ 647,860
Benjamin Franklin Middle School	204,427	199,093	269,770	295,869	365,920	180,005	202,181	377,979	314,089	496,817
George Washington Middle School	141,019	137,340	141,119	216,994	191,417	165,307	160,250	299,476	248,855	259,890
Glen Elementary School	52,398	51,031	38,681	73,316	52,467	45,729	45,675	84,989	70,624	71,235
Hawes Elementary School	89,505	87,170	56,341	72,499	76,423	83,418	67,424	125,248	104,077	103,760
Ridge Elementary School	66,201	64,474	67,726	79,050	91,865	96,435	58,106	109,592	91,067	124,726
Somerville Elementary School	142,082	138,375	96,347	115,136	130,685	131,631	68,110	127,037	105,564	177,435
Travel Elementary School	70,942	69,091	67,726	117,861	91,865	71,580	68,731	128,155	106,493	124,726
Orchard Elementary School	66,450	64,716	59,697	101,684	80,974	69,656	46,270	84,989	70,624	109,939
Willard Elementary School	73,703	71,780	71,551	99,301	97,054	143,221	118,523	221,420	183,993	131,771
Education Center	83,579	81,398	46,246	55,209	62,729	38,942	76,696	143,140	118,945	85,169
Total School Facilities	<u>\$ 1,345,777</u>	<u>\$ 1,310,664</u>	<u>\$ 1,266,991</u>	<u>\$ 1,720,609</u>	<u>\$ 1,718,569</u>	<u>\$ 1,417,461</u>	<u>\$ 1,198,943</u>	<u>\$ 2,236,564</u>	<u>\$ 1,858,517</u>	<u>\$ 2,333,328</u>

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
PACKAGE POLICY		
Property	\$ 262,768,595	\$ 5,000
Earthquake/Flood (Outside Zones A N & V)	5,000,000	100,000
Flood (Zones A N & V)	1,000,000	500,000
Non-Flood (Zones C & X)	1,000,000	50,000
Automobile	1,000,000	\$1,000/COMP&COLL
Comprehensive General Liability	1,000,000	10,000
Crime (Non-Statutory Bonds)	\$500,000 Per Loss	1,000
Boiler & Machinery	150,000,000	
ENVIRONMENTAL	2,000,000	25,000
	40,000,000 Group Aggregate	
EDUCATOR'S LEGAL LIABILITY/ EMPLOYMENT PRACTICES	1,000,000	Various
EXCESS UMBRELLA	\$25,000,000 Group Aggregate	
CYBER LIABILITY	Various	
WORKER'S COMPENSATION-Safety National		
Maximum Limit of Indemnity per Occurrence	Statutory	
Employer's Liability Per Occurrence	1,000,000	

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
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MARK SACO, CPA
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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
Board of Education
Ridgewood Board of Education
Ridgewood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ridgewood 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 Ridgewood Board of Education's basic financial statements and have issued our report thereon dated December 15, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Ridgewood 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 Ridgewood Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ridgewood 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ridgewood 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 an instance of noncompliance or other matter that is 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 and which is described in the accompanying schedule of findings and questioned costs as item 2023-001.

We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Ridgewood Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 15, 2023.

Ridgewood Board of Education's Response to Finding

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

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



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



Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
December 15, 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
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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
Ridgewood Board of Education
Ridgewood, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Ridgewood 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 Ridgewood Board of Education's major federal and state programs for the fiscal year ended June 30, 2023. The Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood 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 Ridgewood Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2023-002. Our opinion on each major federal and state program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a significant deficiency.

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.

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ridgewood 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 15, 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
Certified Public Accountants
Public School Accountants



Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
December 15, 2023

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	July 1, 2022		A/R Carryover Amount	Def. Rev. Carryover Amount	Cash Received	Budgetary Expenditures	Cancelled Encumbrances	Accounts Receivable Adjustment	Deferred Revenue Adjustment	Refund of Prior Years' Balances	June 30, 2023			MEMO GAAP Receivable	
					Accounts Receivable	Unearned Revenue									Accounts Receivable	Unearned Revenue	Due to Grantor		
General Fund																			
U.S. Department of Human Services																			
Passed-through State Department of Education																			
Medicaid Assistance	93.778	2005NJSMAP	7/1/22-6/30/23	\$ 38,895				\$ 38,895	\$ 38,895										\$ -
Medicaid Assistance - FFCRA	93.778	2005NJSMAP	7/1/22-6/30/23	2,536				2,536	2,536										-
Total General Fund								41,431	41,431										-
Special Revenue Fund																			
U.S. Department of Education																			
Passed-through State Department of Education																			
I.D.E.A. Part B	84.027A	H027A220100	7/1/22-9/30/23	1,089,285			\$ (51)	\$ 51	1,089,336	1,089,336									-
I.D.E.A. Part B	84.027A	H027A210100	7/1/21-9/30/22	1,056,163	\$ (51)	\$ 51		(51)											-
I.D.E.A. Preschool	84.173A	H173A220114	7/1/22-9/30/23	44,619					44,619	44,619									-
IDEA Basic - ARP	84.027X	H027XA210100	7/1/21-9/30/22	237,383	(190,079)	154,779			70,066	86,203	\$ 9,553			\$ (120,013)	\$ 68,576	\$ 9,553		\$ (51,437)	
IDEA Preschool - ARP	84.173X	H173XA210114	7/1/21-9/30/22	20,274	(20,274)	20,274			-	20,274									(20,274)
Total Special Education Cluster (IDEA)					(210,404)	175,104			1,204,021	1,240,432	9,553				(140,287)	68,576	9,553		(71,711)
Title I Part A	84.010	S010A220030	7/1/22-9/30/23	107,404					4,656	22,032					(102,748)	85,372			(17,376)
Title II A	84.367A	S367A220029	7/1/22-9/30/23	65,230					41,999	64,657			\$ 427		(23,231)	1,000			(22,231)
Title II A	84.367A	S367A210029	7/1/21-9/30/22	67,250	(27,868)				27,868										-
Homeless - ARP				4,500						30					(4,500)	4,470			(30)
Title III	84.365	S365A220030	7/1/22-9/30/23	20,383					9,741	16,450			1,113		(10,642)	5,046			(5,596)
Title III	84.365	S365A210030	7/1/21-9/30/22	28,782	(9,358)	657			10,301				(657)				943		-
Title III, Immigrant	84.365	S365A210030	7/1/21-9/30/22	152	(152)				152	152			152						-
Total Title III Cluster					(9,510)	657			20,194	16,602			608		(10,642)	5,046	943		(5,596)
Teaching American History	84.215X	N/A	9/1/10-8/31/15	999,479		5,383										5,383			-
Elementary and Secondary School Emergency Relief (ESSER)																			
Coronavirus Aid, Relief, and Economic Security (CARES) Act																			
CARES Emergency Relief Grant	84.425D	S425D200027	3/13/20-9/30/22	123,856		422			5				\$ (5)	(422)					-
Elementary and Secondary School Emergency Relief (ESSER II)																			
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act																			
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	474,421	(60,430)	20,192			56,940	20,192	2,500	(734)			(4,224)	2,500			(1,724)
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	30,446	(4,476)	4,476				1,940		1,036	(1,036)		(3,440)	1,500			(1,940)
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(27,712)	25,211			24,923	22,999					(2,789)	2,212			(577)
Elementary and Secondary School Emergency Relief (ESSER III)																			
American Rescue Plan																			
ESSER III	84.425U	S425U210027	3/13/20-9/30/24	1,066,230	(1,066,230)	633,192			838,657	504,491	4,438			5	(227,573)	133,144			(94,429)
Accelerated Learning	84.425U	S425U210027	3/13/20-9/30/24	456,952	(456,952)	434,511			216,576	271,166					(240,376)	163,345			(77,031)
Summer Learning and Enrichment Activities	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000				40,000					(40,000)	40,000			-
Beyond the School Day Activities	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	2,843			37,157	2,843					(2,843)				(2,843)
Mental Health	84.425U	S425U210027	3/13/20-9/30/24	45,000	(45,000)	21,000			24,000	1,837					(21,000)	19,163			(1,837)
Total ESSER Cluster					(1,740,800)	1,181,847			1,198,258	825,468	6,938		297	(1,453)		(542,245)	361,864		(180,381)
COVID ARP State and Local Fiscal Recovery Fund																			
DOE Special Education Services Additional or Compensatory Spee Ed and Related Services																			
Compensatory Spee Ed and Related Services	21.027	SLFRFDOEISES	7/1/22-6/30/23	17,809					17,809							17,809			-
Compensatory Spee Ed and Related Services	21.027	SLFRFDOEISES	7/1/21-6/30/22	211,975	(211,975)				211,975										-
					(211,975)				229,784							17,809			-
CARES Act - Bergen County	21.019	C8220COVID19	7/1/20-12/31/20	36,043	(1,269)										(1,269)				(1,269)
Total Special Revenue Fund					(2,201,826)	1,362,991			2,726,780	2,169,221	16,491	297	(418)		(824,922)	549,520	10,496		(298,564)
Total Federal Awards					\$ (2,201,826)	\$ 1,362,991	\$ -	\$ -	\$ 2,768,211	\$ 2,210,652	\$ 16,491	\$ 297	\$ (418)	\$ -	\$ (824,922)	\$ 549,520	\$ 10,496	\$ -	\$ (298,564)

See Accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance

RIDGEWOOD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURE 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	Accounts Receivable Adjustment	Deferred Revenue Adjustment	Refund of Prior Years' Balances	June 30, 2023			MEMO		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor						Accounts Receivable	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
General Fund																	
State Department of Education																	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 3,896,003	\$ (344,194)			\$ 344,194										
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	4,885,005	-			4,435,718	\$ 4,885,005				\$ (449,287)					\$ 4,885,005
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	447,742	(39,556)			39,556										
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	447,742	-			406,562	447,742				(41,180)					447,742
Total State Aid Public Cluster				(383,750)			5,226,030	5,332,747				(490,467)					5,332,747
Lead Testing for School Aid	23-495-034-5120-104	7/1/22-6/30-23	12,974	-			12,974	12,974									12,974
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	620,535	(54,821)			54,821										
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	620,535	-			563,463	620,535				(57,072)					620,535
Additional Non Public Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	57,628	(57,628)			57,628										
Additional Non Public Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	56,555	-			-	56,555				(56,555)				\$ (56,555)	56,555
Total State Aid Transportation Cluster				(112,449)			675,912	677,090				(113,627)				\$ (56,555)	677,090
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	3,010,867	(3,010,867)			3,010,867										
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	2,824,121	-			-	2,824,121				(2,824,121)					2,824,121
On-Behalf TPAF Pension Benefits	23-495-034-5094-002	7/1/22-6/30/23	18,100,191	-			18,100,191	18,100,191									18,100,191
On-Behalf TPAF - Pension - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	251,120	-			251,120	251,120									251,120
On-Behalf TPAF - Post Retirement Medical Contributions	23-495-034-5094-001	7/1/22-6/30/23	4,820,845	-			4,820,845	4,820,845									4,820,845
On-Behalf TPAF - Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	5,042	-			5,042	5,042									5,042
Reimbursed TPAF Social Security Contr.	23-495-034-5094-003	7/1/22-6/30/23	3,722,949	-			3,721,442	3,722,949				(1,507)				(1,507)	3,722,949
Reimbursed TPAF Social Security Contr.	22-495-034-5094-003	7/1/21-6/30/22	3,716,222	(184,417)			184,417	-									
Total General Fund				(3,691,483)			36,008,840	35,747,079				(3,429,722)				(58,062)	35,747,079
Special Revenue Fund																	
N.J. Nonpublic Aid:																	
Handicapped Services																	
Examination & Classification	23-100-034-5120-066	7/1/22-6/30/23				\$ 1,547						\$ 1,547					
Examination & Classification	20-100-034-5120-066	7/1/19-6/30/20	8,732			1,547											
Total Handicapped Aid						1,547						1,547					
Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	2,310				2,310	132						\$ 2,178			132
Technology Aid	23-100-034-5120-373	7/1/22-6/30/23	1,470				1,470	1,470									1,470
Security Aid	23-100-034-5120-509	7/1/22-6/30/23	13,325				13,325	410						12,915			410
Nursing Services	23-100-034-5120-070	7/1/22-6/30/23	7,280				7,280	224						7,056			224
Total Nonpublic Aid						1,547	24,385	2,236				1,547			22,149		2,236
Climate Awareness Education Grant	23E00126	4/1/23-6/30/23	6,660				6,512	6,512									6,512
SDA Grant			274,853				274,853							\$ 274,853			
Total Special Revenue Fund						1,547	305,750	8,748				1,547		274,853	22,149		8,748
Debt Service Fund																	
Debt Service Aid	23-495-034-5120-017	7/1/22-6/30/23	133,782				133,782	133,782									133,782
Total State Financial Subject to Single Audit Determination				\$ (3,691,483)	\$ -	\$ 1,547	\$ 36,448,372	\$ 35,889,609	\$ -	\$ -	\$ 1,547	\$ (3,429,722)	\$ 274,853	\$ 22,149	\$ (58,062)	\$ 35,889,609	
Less Amounts Not Subject to Single Audit:																	
On-Behalf TPAF Pension Benefits	23-495-034-5094-002	7/1/22-6/30/23	18,100,191				(18,100,191)	(18,100,191)									(18,100,191)
On-Behalf TPAF - Pension - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	251,120				(251,120)	(251,120)									(251,120)
On-Behalf TPAF - Post Retirement Medical Contributions	23-495-034-5094-001	7/1/22-6/30/23	4,820,845				(4,820,845)	(4,820,845)									(4,820,845)
On-Behalf TPAF - Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	5,042				(5,042)	(5,042)									(5,042)
Total State Financial Assistance Utilized for Calculation to Determine Major Programs				\$ (3,691,483)	\$ -	\$ 1,547	\$ 13,271,174	\$ 12,712,411	\$ -	\$ -	\$ 1,547	\$ (3,429,722)	\$ 274,853	\$ 22,149	\$ (58,062)	\$ 12,712,411	

See Accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$77,778 for the general fund and an increase of \$2,194 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	\$ 41,431	\$ 35,824,857	\$ 35,866,288
Special Revenue Fund	2,192,637	8,748	2,201,385
Debt Service Fund	-	133,782	133,782
	<hr/>	<hr/>	<hr/>
Total Awards Financial Assistance	<u>\$ 2,234,068</u>	<u>\$ 35,967,387</u>	<u>\$ 38,201,455</u>

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

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$3,722,949 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 \$18,351,311, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$4,820,845 and TPAF Long-Term Disability Insurance in the amount of \$5,042 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

- 1) Were material weakness(es) identified? yes X no
- 2) Significant deficiencies identified that are not considered to be material weakness(es)? X yes none reported

Noncompliance material to the basic financial statements noted? X yes no

Federal Awards Section

Internal Control over major programs:

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

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

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA ESSER Program Cluster</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP ESSER Program Cluster</u>

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor’s Results

State Awards Section

Internal control over major programs:

- 1) Material weakness(es) identified? ___ yes X no
- 2) Significant deficiencies identified that are not considered to be material weakness(es)? X 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? X yes ___ no

Identification of major State programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>23-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>23-495-034-5120-084</u>	<u>Security Aid</u>
<u>23-495-034-5094-003</u>	<u>TPAF - Social Security Aid</u>

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

Auditee qualified as low risk auditee X yes ___ no

**RIDGEWOOD 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 reportable conditions, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Finding 2023-001

Our audit revealed that taxes levied and appropriations budgeted in the Debt Service Fund included principal and interest for ESIP bonds which are appropriated and paid from the General Fund.

Criteria or specific requirement:

Internal controls over annual budgeting procedures.

Condition

Debt Service Fund taxes levied 2022/23 included principal and interest for the ESIP bonds which are budgeted and paid in the General Fund.

Context

Debt Service taxes levied in the Debt Service Fund exceeded the required Debt Service Fund principal and interest by \$459,150.

Effect

Taxes levied in the Debt Service Fund exceeded the debt service requirements in fiscal year 2023.

Cause

ESIP bond debt service payments were budgeted in both the General and Debt Service Funds.

Recommendation

The Debt Service Fund budget include only appropriations for principal and interest for the District's long term debt related to the 2011 and 2016 refunding bonds.

View of Responsible Officials and Planned Corrective Action

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

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)

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.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)

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

Finding 2023-002

Our audit of purchases related to compliance with the Public School Contracts Law revealed the following:

- Contracts/purchases in excess of the bid threshold were not approved in the minutes.
- Vendor paid in excess of bid threshold was not formally bid or approved by state or cooperative purchasing agreement.
- Supporting detail for purchases made in accordance with state and cooperative purchasing contracts was not available.
- Proof of advertisement was not available for certain contract awards.
- Political Disclosure Forms were not available for certain vendors.

State program information:

Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084

Criteria or specific requirement:

State Grant Compliance Supplement – State Aid – Public
NJSA 18A:18A – Public School Contracts Law

Condition:

- Contracts/purchases of athletic supplies, fencing and food service supplies and equipment were not approved in the minutes.
- One (1) vendor paid in excess of the bid threshold for electrical services was not bid or awarded a contract by the state or approved cooperative purchasing agreement.
- State contract and cooperative purchasing supporting pricing detail was not available to support amounts included on vendor invoices for furniture, athletic supplies, fencing, food service supplies and equipment and radios.
- Proof of advertisements was not available for three (3) professional service contracts awarded and the bid advertisement for the RHS food lab renovation.
- Four (4) Political Disclosure Forms were not available for vendors paid in excess of \$17,500.

Questioned Costs:

Unknown.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)

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, as amended.

CURRENT YEAR STATE AWARDS (Continued)

Finding 2023-002 (Continued)

Context:

See Condition.

Effect:

Noncompliance with requirements of the Public School Contracts Law and State Aid-Public Compliance Supplement.

Recommendation:

It is recommended that with respect to school purchasing:

- a) Contracts/purchases in excess of the bid threshold be approved in the board minutes.
- b) Where required, vendors paid in excess of the bid threshold be formally bid or awarded through an approved state contract or cooperative purchasing agreement.
- c) Amounts paid through State contract and cooperative purchasing agreements be verified to State contract and cooperative purchasing documentation.
- d) Professional service contract awards be advertised and Political Disclosures Forms be obtained and available for audit.

Views of Responsible Officials and Planned Corrective Action:

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

**RIDGEWOOD 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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2022-001

Condition

Debt Service Fund taxes levied included principal and interest for the ESIP bonds which are budgeted and paid in the General Fund for the fiscal year 2022 and 2023.

Status

See Finding 2023-001.